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84TH CONGRESS
1ST SESSION

H. R. 1573

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1955

Mr. HOPE introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To repeal section 348 of the Agricultural Adjustment Act of 1938.

1 *Be it enacted by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*
3 That section 348 of the Agricultural Adjustment Act of
4 1938, as amended, is hereby repealed, effective with respect
5 to 1955 and subsequent crops.

I

84TH CONGRESS
1ST Session

H. R. 1573

A BILL

To repeal section 348 of the Agricultural
Adjustment Act of 1938.

By Mr. Hope

JANUARY 6, 1955

Referred to the Committee on Agriculture

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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84th-1st, No. 22

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HIGHLIGHTS: Both Houses received President's school construction message. House committee reported durum wheat acreage increase bill. House passed selective service bill after adopting amendment on farm deferments. House subcommittee voted to report bill to repeal ACP tie-in with acreage allotments.

HOUSE

1. WHEAT ALLOTMENTS. The Agriculture Committee reported without amendment S. 145, to amend the Agricultural Adjustment Act of 1938 so as to provide for increased durum wheat acreage allotments and marketing quotas for 1955 (H. Rept. 24) (p. 1145).
2. LAND TRANSFER. The Agriculture Committee reported without amendment H. J. Res. 107, to permit this Department to release reversionary rights in certain property (formerly FHA) for school purposes in Kern County, Calif. (H. Rept. 23)(p. 1145).
3. PERSONNEL. The House Administration Committee submitted a supplemental report on H. R. 3406, to permit and assist Federal personnel and their families to vote (H. Rept. 20, Part 2)(p. 1145).
4. SOIL CONSERVATION. The Subcommittee on Conservation and Credit approved for reporting to the Agriculture Committee H. R. 1573, to repeal Sec. 348 of the Agricultural Adjustment Act of 1938, which makes ACP payments contingent upon compliance with acreage allotments on basic crops (p. D79).

5. SELECTIVE SERVICE. Passed, 394 to 4, with amendments H. R. 3005, which extends selective service for 4 years until July 1, 1959, reduces the liability for induction from age 35 to 26 for men who enlist in organized units of the National Guard prior to attaining the age of 18 $\frac{1}{2}$, and provides that no person who has served 6 months or more of honorable active duty in the Armed Forces after Sept. 16, 1940, shall be liable for induction under selective service except in time of war or national emergency (pp. 1102-29).

Agreed to a Harrison, Va., amendment providing that no person who has been otherwise found, on his individual status, eligible for deferment because his employment has been determined to be necessary to maintain national health, safety, or interest, shall be granted a deferment because of a shortage of any agricultural commodity, or denied a deferment because of a surplus of any agricultural commodity (pp. 1124-5).

6. EDUCATION. Both Houses received the President's message on school construction containing recommendations providing for Federal aid to States and local governments for construction of public schools (H. Doc. 84); to House Education and Labor Committee and Senate Labor and Public Welfare Committee (pp. 1047, 1101-2).

Received from HEW a proposed bill to authorize Federal assistance to States and communities to increase public elementary and secondary school construction; to Education and Labor Committee (p. 1145).

7. BANKING AND CURRENCY. Both Houses received the President's message transmitting a report of the National Advisory Council on International Monetary and Financial Problems on its operations from Oct. 1, 1953, to June 30, 1954, and describing the participation of the U. S. in the International Monetary Fund and the International Bank for Reconstruction and Development for the period Apr. 1 to June 30, 1954 (H. Doc. 85)(pp. 1047, 1102).

8. TARIFFS. Rep. Mollohan claimed that Dr. Gallup, from the results of his recent poll, "draws the conclusion that the majority of the American people favor what the President proposes" in reducing tariffs, "yet the figures from which Dr. Gallup draws this conclusion say exactly the opposite" (p. 1132).

Rep. Rogers, Mass., claimed that if the tariff "reduction proposed in textiles is pursued, it will mean almost complete annihilation of both the woolen and textile industries" (p. 113-7).

9. ADJOURNED until Thurs., Feb. 10 (p. 1145).

SENATE

10. COMMODITY EXCHANGES. Both Houses received from this Department a proposed bill to amend section 8a (4) of the Commodity Exchange Act so as to authorize the Secretary to fix reasonable fees for registrations, renewals, and copies of registration certificates issued to futures commission merchants and floor brokers; to S. Agriculture and Forestry and H. Agriculture Committees (pp. 1047, 1145).

11. VETERANS' BENEFITS; EDUCATION. The Labor and Public Welfare Committee reported without amendment H. R. 587, to provide that persons in the Armed Forces on Jan. 31, 1955, may continue to accrue educational benefits to Jan. 31, 1965 (S. Rept. 26)(p. 1052).

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: House committees reported cotton allotments increase bill and bill to repeal revolving fund for surplus commodities in occupied areas. House committees ordered reported bill to repeal ACP tie-in with acreage allotments and Alaska-Hawaii statehood bill. Rep. Roberts spoke in favor of increasing cotton allotments.

HOUSE

1. COTTON ALLOTMENTS. The Agriculture Committee reported with amendment H. R. 3952, to amend the Agricultural Adjustment Act of 1938 so as to increase cotton acreage allotments (H. Rept. 58)(p. 1394).

Rep. Roberts spoke in favor of increasing the 1955 cotton acreage allotments on farms receiving allotments of 5 acres or less and claimed that the acreage cuts are "resulting in a serious social problem" which "is caused partially by the fact that the Department of Agriculture in making acreage cuts is taking some of the cutback from the planted acres of 1954 instead of only from the allotted acres of 1954" (p. 1328).

2. SOIL CONSERVATION. The Agriculture Committee ordered reported H. R. 1573, to repeal Sec. 348 of the Agricultural Adjustment Act of 1938, which makes ACP payments contingent upon compliance with acreage allotments on basic crops (p. D104).

3. SURPLUS COMMODITIES. The Armed Services Committee reported without amendment H. R. 2123, to repeal Public Law 820, 80th Congress, which provides a revolving fund for the purchase of agricultural commodities and raw materials to be processed in occupied areas and sold (H. Rept. 53)(p. 1394).

4. STATEHOOD. The Interior and Insular Affairs Committee ordered reported with amendments H. R. 2535, the Alaska-Hawaii statehood bill (pp. D104-5).
5. SURPLUS PROPERTY. The "Daily Digest" states that favorable action on H. R. 3322, to amend the Federal Property and Administrative Services Act of 1949 relative to surplus property for education and public health purposes, was not taken Feb. 15 by the Subcommittee on Donable Property (p. D104). (The "Daily Digest" had stated that the bill had been approved for reporting to the full committee.)
6. PERSONNEL. Received the President's message transmitting the CSC's report for the fiscal year 1954 (H. Doc. 13)(p. 1333).
7. WOOL. Received a Wis. Coop. Wool Growers Assn. petition urging USDA to provide for assignments by wool growers of the incentive payments to banks, credit institutions, and marketing agencies, including cooperatives, who have financed wool for growers in the past (p. 1397).
8. FARM LABOR. Received a Hudspeth County Farm Bureau (Tex.) petition opposing the use of "wetback" labor (p. 1397).
9. PRICE DISCRIMINATION. Rep. Patman spoke in favor of his bill, H. R. 11, to amend the Robinson-Patman Act (which makes unlawful price discriminations and unearned discounts and allowances) so as to change the burden of proof in price discrimination cases (p. 1329).
Reps. Ashmore, Bailey, and Philbin spoke against H. R. 1, and Rep. Ashmore said, "I view with particular apprehension the inherent threats toward textile manufacturing and cotton agriculture contained in this bill" (pp. 1382-5, 1390-2).
11. TARIFFS. Rep. Burnside spoke against further tariff reductions, and said that U. S. tariffs are now "among the lowest in the world" (pp. 1362-3).
12. CIVIL DEFENSE. Rep. Holifield discussed the Federal civil defense program, and stated, "our program for minimizing casualties following an enemy attack, and for restoring defense production as quickly as possible--is tragically inadequate" (pp. 1386-90).

BILLS INTRODUCED

13. PERSONNEL. The following bills to amend the Civil Service Retirement Act of May 29, 1930, as amended, were introduced as follows:
By Rep. Lesinski: H. R. 4077, provide for payment of annuities to widowers of female employees; H. R. 4078, to provide for uniform rate for computation of all annuities; H. R. 4079, to provide that survivors of retiring employees shall automatically be entitled to an annuity equal to 50 per cent of earned annuity; H. R. 4080, to provide that accumulated sick leave over 90 days be credited to retirement fund; H. R. 4081, to provide optional retirement at 60 years after 25 years of service with full annuity; H. R. 4082, equal benefits for surviving children of female employees; H. R. 4083, eliminate reduction in annuity made

REPEAL OF AGRICULTURAL CONSERVATION PROGRAM RESTRICTIONS

HEARINGS BEFORE THE COMMITTEE ON AGRICULTURE HOUSE OF REPRESENTATIVES EIGHTY-FOURTH CONGRESS FIRST SESSION

FEBRUARY 4 AND 8, 1955

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REPEAL OF AGRICULTURE CONSERVATION PROGRAM RESTRICTIONS

FRIDAY, FEBRUARY 4, 1955

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON CONSERVATION AND
CREDITS OF THE COMMITTEE ON AGRICULTURE,
Washington, D. C.

The subcommittee met at 10 a. m., pursuant to call, in room 1014, New House Office Building, Hon. W. R. Poage, chairman of the subcommittee, presiding.

Mr. POAGE. The subcommittee will come to order.

We have before us a number of bills. All of these bills have the same general objective of repealing what is known as the Holland amendment. I do not believe the authors of any of the bills have arrived. There are about 12 or 15 of them. Therefore, I think we shall start with the Department and see what you gentlemen would say about this legislation. You understand there are 13 different bills, and they all have exactly the same objective.

STATEMENT OF JAMES A. McCONNELL, ADMINISTRATOR, COM- MODITY STABILIZATION SERVICE, DEPARTMENT OF AGRICUL- TURE

Mr. McCONNELL. All I can say is that the Department favors the repeal of section 348. We have observed the effects of it long enough to believe that it has no particular effect in controlling what it was aimed to control, to keep people within their allotments, and we think there are other means which are already in effect. The marketing quotas do that very effectively.

On the smaller farms it affects farmers' corn allotments. It affects farmers with wheat allotments of less than 15 acres. It affects tobacco growers who, through referendums, have voted not to accept price supports. In other words, the tobacco people go out and hold a referendum and agree not to accept price supports, and then they find that they cannot have the freedom of growing the number of acres they want to and still get ACP benefits.

~~It affects a great number of farms.~~ More than a million farms will be affected. It is a very unpopular thing with the farmers. They feel there is no connection between price support and ACP, and I think they are right in that.

Mr. POAGE. In other words, it is not primarily a matter of keeping a person from getting price supports. The repeal of this amendment would not give him price support on his overplantings, but would let him go along with his ACP payment.

Mr. McCONNELL. In other words, this is a conservation measure and has no particular relation to price support.

Mr. HILL. Mr. McConnell, I am sure you understand where this amendment came from. Mr. Poage and I both opposed it in conference. The House never considered this for a minute. It was only when we had the conference report back on the floor of the House, and all you can do is accept or reject a conference report. Frankly, this was slipped in the bill after the House had passed it. I do not know whether it will have any better reception over in the conference than it had before.

I think I know what our subcommittee will do.

Mr. McCONNELL. There are at least three bills in the Senate on the same subject.

Mr. POAGE. Is there anything further, Mr. McConnell?

Mr. McCONNELL. No. That is our position on it.

Mr. POAGE. Mr. Hope, we are trying in this subcommittee to start at 10 o'clock. We do not know whether we shall succeed or not. You are the first of the authors to arrive. I wonder if you care to be heard now.

STATEMENT OF HON. CLIFFORD R. HOPE, A REPRESENTATIVE IN CONGRESS FROM THE FIFTH DISTRICT OF KANSAS

Mr. HOPE. I should like very much to be heard, because I shall have to leave sometime soon. I have a statement I should like to make on the matter. It will be very brief.

I am interested, of course, in hearing what the Department has to say.

Mr. POAGE. The Department has already said it is in favor of repeal.

Mr. HOPE. That is what I understood.

I particularly wish to say, Mr. Chairman, something which you already know and which Mr. Hill knows, because we were all three on the conference committee on the Agricultural Act of 1954, which considered section 348 which we are trying to repeal at this time. I believe you will agree with the statement I am about to make, that the House conferees held out to the very last against the so-called Holland amendment. This was the last amendment that was agreed to in the bill.

There were certain circumstances that seemed to make it impossible for us to get that amendment out of the bill, but we were all against it. I am against it as a matter of principle, in that I do not believe we should mingle these two programs. I believe the conservation program and the crop control program should be kept separate. I believe the matter of conservation is too important to be tied to another program.

I do not mean to say there are not certain considerations which should be given to conservation in connection with the crop control program or that that program should not, so far as possible, be framed along the lines of good farming. Of course, we all want that to be done, but I do not believe either of the programs should be made contingent upon the other. That was the basis of my opposition when we had the matter up in the conference committee, as well as now.

I note there are some bills before the committee which would simply repeal this provision as it relates to wheat. Those bills no doubt have been introduced because at the present moment the effect of this legislation appears to be most apparent in the case of wheat because of the 15-acre provision, which many farmers I think have mistakenly construed to mean that they are in compliance with acreage allotments when they are within the 15-acre limitation, which of course is not true. I have had a good many complaints from wheat farmers, not very many from my own State, some of whom think there is an element of bad faith in this because they understood, wrongly of course, that if they did not plant more than 15 acres they were in compliance. Now they are being told by the county committees, and told properly of course, that they are not eligible for conservation payments if they have planted more than their allotted acres.

I am mentioning that because I do not think we should do a half-way job on this. If we do anything about the matter at all—and I hope we do something—then we should repeal the entire provision.

There is just one other circumstance to which I wish to refer, and that is that there has been in the law for many years a provision which related only to cotton. You had to be in compliance with the cotton acreage allotments in order to receive payments. I am not one to argue too strongly if the members from the cotton-producing areas wish to retain that provision. Although I am against the provision on the principle of any crop control program, since it has been in effect a great many years and apparently without causing any great difficulty or any demand for its repeal, I would not want to oppose making an exception if that is desirable in the cotton-producing area. But I would prefer that the committee report out a bill which flatly repeals section 348.

MR. POAGE. Mr. Hope, as I understand it, your bill does not affect that cotton provision.

MR. HOPE. I think it does. I was not sure about it, myself, but I consulted with our committee counsel this morning, who tells me it does.

MR. BASS. Mr. Chairman, do we have some copies of the bill we are discussing?

MR. POAGE. Yes. Mr. Reid will distribute copies. We are discussing at the moment Mr. Hope's bill, H. R. 1573. Mr. Avery's bill is, I believe, absolutely identical with Mr. Hope's bill. Then we have 11 other bills, some of which are identical and some of which contain slight variations. We shall of course listen to all of the authors who desire to be heard, and shall discuss any possible differences in the bills.

I do want us to have it clear about the cotton situation. John, it is your opinion this bill does repeal the cotton provision as well as the Holland amendment?

MR. HEIMBURGER. Yes, it would, Mr. Chairman. You see, section 348 of the act was the one which was amended in conference to provide this situation. Section 348 had applied only to cotton. We rewrote it to apply to all crops. If we now repeal the section, we repeal the application of this principle to cotton.

MR. POAGE. Are there any questions of Mr. Hope? If not, we thank you, and will excuse you as a witness, Mr. Hope. We invite you now to sit in as a member of the committee. Mr. Hope is a member of the subcommittee.

Mr. HOPE. I shall do that as long as I can remain.

Mr. POAGE. Mr. Hope is a member of this subcommittee so he will sit with us here as a member of the subcommittee.

Mr. BASS. Mr. Chairman, I arrived late. I dislike bringing this up, but being a new member of the committee, I should like to know exactly what the bill purports to do. I have not had an opportunity to study this bill.

Mr. POAGE. I wonder if we cannot save a little time, Mr. Bass, by simply doing this: We have heard the Department and we have heard Mr. Hope. We are going to call other authors of bills. There are 12 bills. As they explain their bills, I wonder if they will not answer your question.

Mr. BASS. I should like them to because, as my distinguished colleague here was talking, I could not get the full content of the discussion because I am not familiar with the act.

Mr. POAGE. Surely.

Mr. BASS. I might be called on to vote, and I wish to know exactly what it is we are considering.

Mr. POAGE. As the authors discuss their bills, I think they will answer your question.

I am going to call Mr. Avery now, who I believe is the next author to speak.

STATEMENT OF HON. WILLIAM H. AVERY, A REPRESENTATIVE IN CONGRESS FROM THE FIRST DISTRICT OF KANSAS

Mr. AVERY. Thank you, Mr. Poage.

I certainly appreciate the opportunity to be heard on this bill. I especially appreciate the opportunity, Mr. Chairman, because I think the only time I have ever talked to you has been when you were presiding over a subcommittee of the Committee on Agriculture. I believe the last time was out at Topeka when you held hearings on what we then called the Poage bill, which later was substantially enacted into law as the Hope-Aiken bill.

I should like to answer Mr. Bass' question so we can all start off together here.

Section 348 of the Agricultural Adjustment Act, Mr. Bass and other members of the committee, stated that any farmer who had not met his acreage allotments, as set out by the Department of Agriculture through his county committee, would be ineligible for any incentive payments for soil conservation practices. As explained by the counsel, it was a comprehensive stipulation that included all crops.

Originally, as I understand it, it applied to only cotton; but section 348 was amended so it applied to all crops, and "all crops" takes in the metes and bounds of the whole United States.

I want to endorse everything my senior colleague from Kansas said. I feel a little humble appearing before this committee on the same bill on the same day that he does. I am a new Congressman, and of course he has been here for more than one term.

There are three points I should like to make. The first point I think Congressman Hope has already made: The conservation program for both soil and water should stand on its own feet and should not be encumbered by any restrictions such as section 348 places on it. I

will not go into that. I think Congressman Hope pretty well covered that.

I might say that I think, of all the controversial issues in Kansas, this is one program which is not controversial and has the support and good will and the conviction of almost every citizen there.

There are two sidelights I should like to bring up about this. They may not come up in later testimony. In the first place, I should like to state that I do not look upon soil conservation payments as strictly a subsidy payment. In fact, I do not consider it a subsidy payment at all. I think probably persons not directly interested in agriculture tend to classify it as just another subsidy. In my opinion, it is not a payment whereby a farmer receives any direct benefit and, beyond that, it is a two-way deal. The farmer naturally makes a contribution. Always at least half is contributed by the farmer himself. He recovers that in a long period of years, we hope, by increased production.

As far as the public is concerned, it is an altogether different proposition. It is an investment, and not a subsidy, to my way of thinking. By that I mean we are stabilizing our production of food and maintaining the fertility of our soil, not for those of us who are here now, but for generations yet to come, maybe 100 or 200 years from now. Because of that, I do not feel that this should be classed along with the subsidies which are carried and usually thought of in the agriculture program. It just backs up what has already been said. It is a program which stands on its own feet and should not be classified and considered along with the other phases of the program.

Perhaps that is a little intangible. The other point I wish to make particularly is not intangible but is very concrete.

As you know, in the Midwest—certainly, Chairman Poage, you know—we have just finished a 3-year drought and we do not know for sure—

Mr. POAGE. I hope we have finished it.

Mr. AVERY. Maybe we are just starting on the fourth year, and we do not know whether we are out of it yet. In northeast Kansas, which is my district, and I think in most of Kansas, practically all of the water conservation work and practices which have been done have been as a result of the incentive payments through the Department of Agriculture which started back under the old PMA. Of course, we have changed the alphabetic designation several times, but you are familiar with what I mean. Of course, the Soil Conservation Service has made a great contribution with their engineering, but they are not a paying agency and would not be directly affected by this amendment; only indirectly.

I think we cannot overlook that much water conservation work has been done in northeastern Kansas. We are in a relatively high rainfall area. We have the kind of terrain which is natural for water conservation work, and would come under the Soil Conservation Division.

We are an area of small farms. This might be argumentative, because I live in a small-farm area. It seems to me that small farms have felt the impact of these rather severe acreage allotments more intensely than have the larger farms. They have more alternatives on the larger farms than we have where we have only 80 acres or 120 acres to farm, and we pretty nearly have to get something off all those

acres in order to be able to meet our overhead, besides raising a family and other things, which a farmer likes to do, too.

With this restriction placed on there, I will not say it will stop but it will certainly retard all water conservation work in northeast Kansas.

I think it might not be amiss to mention that the original Poage bill or Hope-Aiken law—it has a more dignified title in the statutes, but for all present intents you know what I am referring to—is not a complete substitute for the work done by soil conservation and the payments made by the Department of Agriculture. It is a substitute and a very desirable one, but it does not take the place of it. Perhaps it was the idea that when the Hope-Aiken bill was passed, we would not miss so much the incentive payments by the Federal Government for water conservation work. I do not think that is quite the true picture, especially in my district. The Hope-Aiken bill visualizes a district program, which is fine. I testified for it. I am for it.

In Kansas while I was in the legislature, we worked out what we call a Watershed Act to set up the local authority so we could go ahead and work with the Hope-Aiken bill; but, as I said, that visualizes a district.

The problem I am trying to get at is the man down on his individual farm. He may be ready to get some work done. Perhaps the district is not organized yet, or perhaps it does not need a district. Perhaps the work is all on his farm. Unless we continue this work by the Soil Conservation Service, encouraged by incentive payments, one fellow is going to get left out. I think that would be most unfortunate.

I testified longer than I had planned. Are there any questions?

Mr. POAGE. We appreciate your testimony.

Has anyone a question for Mr. Avery? If there are no questions, Mr. Avery, we appreciate your testimony and thank you very much.

Mr. AVERY. I am glad to be here.

Mr. POAGE. I believe the next author who has arrived is Mr. Jones.

Mr. JONES. I see Mr. Christopher is here. I shall be here with the committee anyway, so perhaps he should be heard next.

Mr. POAGE. Mr. Christopher, you have exactly the same bill.

Mr. Christopher is a former member of this committee, and we are glad to have him as a witness.

Mr. JONES. He is a dirt farmer from Missouri, too.

STATEMENT OF HON. GEORGE H. CHRISTOPHER, A REPRESENTATIVE IN CONGRESS FROM THE FOURTH DISTRICT OF MISSOURI

Mr. CHRISTOPHER. Mr. Chairman and gentlemen, I am glad to come back to my old committee. I am going to talk to you for just a few minutes. Probably there is not a man here who does not know just as much about the Holland amendment and what it is as I do. Perhaps many of you know more about it than I do. I am sure of one thing. If it is allowed to stand, it will cut our overall participation over the Nation at least a million and a half farms, and we cannot afford to lose that. If we take the ACP payments away from the farms which need it the most, that is another bad feature of it.

I do not care, personally, whether you cotton boys retain it or whether you let it go clear across the board. Paul Jones has the only cotton counties in my State, and I shall leave the decision con-

cerning the cotton provision entirely up to the boys who come from cotton sections. If they wish to get rid of it, you cotton boys can count on my throwing in my nickel's worth. If you wish to retain it, that is all right. I shall not go into what it does, because you fellows understand that.

I tried to have my bill drawn—I said "have it drawn." I did. I went over to the legal counsel and had it drawn. I told them what I wanted to do and, not being an attorney, I left it up to them to do what I wanted done. I would like to see that bill passed.

I am not speaking of my bill in particular, because I have no pride of authorship, and I should be glad to pool my nickel's worth with any of you other boys so that we get rid of the Holland amendment as it applies to the wheat and corn country at least, and get rid of it if possible by the 1st of April so that we have the precompliance period of April to July, July to October, and October to the 1st of January, in which the farmers could participate in the ACP program and get what little assistance they can, which is not very much on a small farm.

As I understand the Holland amendment, if a man had no allotment at all and he sold 1 acre of wheat for chicken feed, it would bar him from receiving any assistance under the ACP program.

That is all I am going to say on that, except that I want to work with you to get rid of that amendment as quickly and easily as we can.

Thank you, Mr. Poage.

Mr. POAGE. We thank you, Mr. Christopher. We are always happy to have you back with our committee. Come back and visit us.

Mr. CHRISTOPHER. Thank you.

Mr. POAGE. I believe Mr. Jones is next. I am trying to call the witnesses in the order in which the members came in. I want to repeat, I may be late tomorrow morning, but this subcommittee is going to try to meet on time. I will take these gentlemen in the order in which they came.

Mr. BASS. I want to endorse that program, Mr. Chairman. I am very much in favor of it, and I wish I had known that before 10 o'clock this morning. I would have been here. I have been accustomed to going to hearings at 10 o'clock and waiting until 10:30 for them to start. I thoroughly appreciate your attitude, and I assure you I will be here.

Mr. POAGE. Mr. Jones, you may proceed.

STATEMENT OF HON. PAUL C. JONES, A REPRESENTATIVE IN CONGRESS FROM THE TENTH DISTRICT OF MISSOURI

Mr. JONES. My interest in introducing any bill at all is prompted, you might say, by just one instance, and I think it was a misunderstanding that many people had. I think even Members of Congress who supported the Holland amendment may have been confused to the extent that we felt, in the case of wheat particularly, that where a person was permitted to grow 15 acres without any allotment, he would not be in violation for overplanting. Yet I think it was overlooked by at least some that that would make him ineligible for his conservation benefits.

From my discussion with some other members as well as people in my area, that is the principal thing that we should like to get rid of through this legislation.

The bill I offer, frankly, is the bill which Mr. Christopher and Mr. Hope and others had already introduced, with just a slight change in wording. I think they all strike at the same practice.

As far as cotton is concerned, I think the reason that was put in there originally was as an additional penalty on those who might be inclined to overplant cotton, and the cotton producers were, I think, most interested in seeing a strict compliance with the acreage allotments in order that we could keep our program operating as efficiently as possible. I know at least in my section we had some people who might have been inclined to overplant and to accept the penalty for overplanting, but who in their other farm operations were kept in line by the fact that they might not obtain the ACP payments.

That would be a debatable question even now, and I think that is one thing our committee will have to consider. My only purpose is to try to get this question before the full committee so we can determine at that time what would be best. I know I would be agreeable, and I feel that most of the others would be agreeable, to trying to work out a plan which would permit at least 15 acres of wheat, restricted to feed, without having to suffer the penalty. I think that is what we are trying to get at in this bill. That is my purpose.

Mr. POAGE. Are there any questions of Mr. Jones?

Thank you very much, Mr. Jones.

Mr. Johnson, I do not know whether you have a bill here. I do not have a copy of your bill.

STATEMENT OF HON. LESTER R. JOHNSON, A REPRESENTATIVE IN CONGRESS FROM THE NINTH DISTRICT OF WISCONSIN

Mr. JOHNSON. I happen to be here this morning because I am interested in conservation. I called your office, but the line was busy, so I did not know what the hearing was taking up.

Mr. POAGE. We are glad to have you here, but I did not know whether or not you had a bill.

Mr. JOHNSON. I have a bill on the same subject, which is the same as Mr. Hope's bill.

Mr. POAGE. We shall be glad to hear from you.

Mr. JOHNSON. We in Wisconsin are not interested from the wheat angle, but we are interested from the corn angle. Most of our corn is raised for silage corn, and the extra corn which is being raised is being used to feed dairy cattle.

In my district I think very little of our corn is ever sold. It is all fed right on the farm, and our farmers complain that they are being penalized on their acreage where they want it for feed and silage. That is why they think it is unfair to them in their operations, and that is why they are for repeal.

We are willing to go along just as the other members who have testified; if the cotton fellows want to keep it, we in Wisconsin have no objection.

Mr. POAGE. Are there any questions of Mr. Johnson?

Thank you, Mr. Johnson.

Now, Mr. Polk, you have a bill.

STATEMENT OF HON. JAMES G. POLK, A REPRESENTATIVE IN
CONGRESS FROM THE SIXTH DISTRICT OF OHIO

Mr. POLK. For the reporter, I am James G. Polk, representing the Sixth Congressional District of Ohio.

Gentlemen, I should like to call your attention to a situation which exists in 1 of my 9 counties. The same situation exists in the other 8, but I do not have the figures for the other 8.

In Brown County, Ohio, there are 1,800 wheat farms, and there are 3,000 corn farms. There are 271 farms having an allotment of over 15 acres of wheat, and there are 1,529 farms with less than 15-acre allotments.

Under the Holland amendment, if any one of these 1,529 farmers grows more than his allotment, if he grows up to the 15-acre allotment that he is entitled to under the Agricultural Adjustment Act, he loses his agricultural conservation payments.

Do I make myself clear? Remember, I am in an area of small farms and, as I have indicated here, in this one county there are 1,529 wheat farmers who have allotments of less than 15 acres. Under the program as it is now set up, every one of those 1,529 farmers would be precluded from receiving any agricultural conservation program benefits.

Mr. HOPE. Will you yield at that point?

Mr. POLK. Surely.

Mr. HOPE. Of course, they would not unless they had planted more than their allotment. They had not all planted up to the 15 acres, had they?

Mr. POLK. Many of them have. You must remember that many of these allotments are only 3, 4, and 5-acre allotments.

Mr. HOPE. I know. I am in thorough sympathy with your position, and so stated earlier in my statement as far as that is concerned. Of course, I think there is another element in there, and that is that most of the farmers misunderstood and do now misunderstand the nature of the 15-acre provision, in that they think they are in compliance if they plant less than 15 acres, which, of course, they are not. They are not in compliance so far as the price-support program is concerned, but they can sell what they produce on 15 acres or less without paying a penalty when the marketing quotas are on. They do not realize that they are not actually in compliance, and I think this thing has hit them pretty hard when they have been told by the county committees that they are not in compliance and therefore are affected by this legislation.

Mr. POLK. I appreciate your suggestion, Mr. Hope. That is certainly true. So I hope that this committee will favorably report out some of the bills. I introduced H. R. 1832. I know there are a number of other bills introduced. As other witnesses have said, I have no pride of authorship. If this committee decides to write up another bill, that is perfectly all right with me. I do feel that it is something which should be acted upon very quickly, because planting time is coming on us in many areas of the country. It is something which demands quick action.

I certainly hope your committee will favorably consider this subject. I believe it is one of the most urgent problems we have facing us at

this particular time, because it affects so many of the small farmers. The big farmers are not affected so seriously as the small farmers.

Are there any questions?

Mr. POAGE. Does anyone care to ask Mr. Polk a question?

Mr. JOHNSON. Mr. Polk, I have heard, not from my district but from other parts of the United States, that a large number of people growing wheat for poultry feed are being affected by this.

Mr. POLK. I am glad you mentioned that, Mr. Johnson, because it is particularly true in my area that much of the wheat and much of the corn on these small farms is all fed on the farm. In many instances there is no marketing of the feed grains. They are fed on the farm. For that reason, it is a problem which is very, very serious with these farmers, and they lose all of their agricultural conservation benefits.

Mr. BASS. I would like to ask one question. You are from the State of Ohio. Has the administration of the soil-conservation program in the past few years met with the general approval of the people of your State?

Mr. POLK. You are speaking of soil conservation?

Mr. BASS. That is right.

Mr. POLK. We have two programs. We have the agricultural conservation program, which is a little different from the Soil Conservation Service program.

Mr. BASS. They are interlocking, though.

Mr. POLK. There is some interlocking.

I would say that the ACP program has been more satisfactory generally than the regular soil-conservation program; that the actual soil-conservation program has not reached enough farmers, while the ACP has reached a great proportion, particularly of the smaller farmers. The larger farmers have been able to take advantage of the soil-conservation program where they have organized soil-conservation districts and have worked out very elaborate programs for the Soil Conservation Service. The ACP has benefited our farmers very largely with reference to lime. We are in an area where there is much soil acidity, and there is much leaching of lime from the soil. We need to have an application of ground limestone regularly throughout our area. We receive the lime payments under the ACP program, which is being eliminated by the so-called Holland amendment.

Mr. POAGE. Any further questions? If not, we thank you so much, Mr. Polk.

Mr. POLK. Thank you, Mr. Chairman.

Mr. POAGE. Mr. Lovre I believe introduced a bill ahead of all the rest of us, so we would be glad to hear you, Mr. Lovre.

STATEMENT OF HON. HAROLD O. LOVRE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF SOUTH DAKOTA

Mr. LOVRE. Thank you, Mr. Chairman.

I have been told not to press a matter when your case is won. I think this case is already won, so certainly I am not going to press it any further.

I was told by our State administrator that in 1954, only 40 percent of our corn farmers complied with the allotment program. That being true, if this particular amendment is permitted to stand, it will

mean that 60 percent of our corn farmers will be denied ACP benefits. I do not think the two programs should be tied together, and definitely I am of the opinion that this bill should pass.

Mr. POAGE. Are there any questions of Mr. Lovre? Thank you, Mr. Lovre.

Is there any other Member of the Congress here to testify?

Mr. WATTS. I should like to make a statement.

Mr. POAGE. Mr. Watts wishes to make a statement.

STATEMENT OF HON. JOHN C. WATTS, A REPRESENTATIVE IN CONGRESS FROM THE SIXTH DISTRICT OF KENTUCKY

Mr. WATTS. Mr. Chairman, while I am not a member of the subcommittee, this proposition ties itself in with two cardinal objectives the farmers of our country are trying to achieve. It works at cross purposes with both of them to a certain extent.

One of the things we are attempting to achieve, as I see it, is the reduction of surpluses and the reduction of production as much as we can. If this payment is a payment to the individual himself, I see no sound basis for stimulating his total production and permitting him to draw the payments. Of course, looking at it as a soil-conservation payment for the perpetuation of the fertility of our soil, it is not fair to penalize the soil for what the individual does. I have had a number of resolutions from the different farm bureaus and tobacco groups in Kentucky, who think quite a bit of the Holland amendment because they feel that it has a tendency to curtail the production of excesses. We do now have a tremendous surplus of tobacco on our hands. It was my hope that an amendment could be worked out in some way so as to relieve the situation of those people who were permitted under the law to raise 15 acres of wheat, who are allowed to do so and should not be penalized for it.

I am familiar with the situation of the tobaccomen in Maryland. They voted out their quotas, but at the same time the Department carries them on a quota basis. I definitely feel that where quotas have been voted out, this provision should not prevail.

I can also see reasonable ground for saying that where the production of grains for feed, like corn, or silage corn, is produced solely for consumption on the farm, perhaps the penalty should not be imposed on the farmers.

As I said before, I can see, further, that if you consider it strictly as a payment for the benefit of the soil, it is not right to penalize that soil in future generations for what one farmer might do while he has possession of it.

If the bill could be amended in some way so as to take care of all the extraordinary situations that do arise where it works a real hardship, and at the same time keep that curb on the tendency to over-produce, I should think that would be a fine solution.

Mr. POAGE. Thank you, Mr. Watts.

Are there any questions of Mr. Watts? If not, I should like to point out that Mr. Earl Wilson, who is the author of H. R. 1859, has submitted a statement, and I will ask now that that statement be made a part of the record. Without objection, it will be made a part of the record.

STATEMENT OF HON. EARL WILSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

Regarding H. R. 1859 which I introduced on January 10, 1955, in behalf of the farmers of my Indiana Ninth Congressional District in particular, and in behalf of all Americans in general, may I make these points:

First, section 348 of the Agricultural Adjustment Act of 1938 which H. R. 1859 would repeal, was a hurriedly passed amendment in the closing days of the 83d Congress. I am sure it was not properly noticed by a number of farm State legislators, and I am sure it was not given a full measure of consideration by others.

Second, section 348 would automatically deny ACP assistance to any farmer who knowingly harvests any basic agricultural commodity on his farm which has been determined by the Secretary of Agriculture to be in excess of the acreage allotment for such commodity.

Third, while this measure probably would not be hurtful to nonedible commodities such as cotton, it certainly would be hurtful to corn and wheat farmers of Indiana and elsewhere in the country who grow those grains on their farms for consumption by their own livestock.

Fourth, to deny midwestern farmers—and Indiana is in the heart of the Nation's richest farmland—would jeopardize the productivity of their land, which land actually is our country's greatest asset in time of war or in time of peace. This is particularly true in this period when our national population is growing at a rate of several millions per year.

I submit that we must do everything to preserve the fertility and productivity of this God-given heritage, the soil of America. To retain section 348 of the Agricultural Adjustment Act is a step in the opposite direction. Let us repeal it forthwith.

Mr. POAGE. I should like also to note for the record that Melvin Laird, the author of H. R. 2415, called me yesterday afternoon and advised me that he would necessarily be out of town this morning, and asked that I express his interest in this legislation. I know we are all glad to know that he is interested in it.

We have bills which have been presented by the Honorable E. Y. Berry, the Honorable James M. Quigley, the Honorable Morgan M. Moulder, the Honorable Myron George, the Honorable Carl Albert, the Honorable Watkins M. Abbitt. They have also presented bills on this same subject but are not here this morning.

Mr. Koch, did you wish to testify on this matter?

Mr. ROBERT M. KOCH (executive secretary, National Agricultural Limestone Institute, Inc., Washington, D. C.). I do not believe so. Thank you just the same.

Mr. POAGE. Does the Department have anything further?

Mr. McCONNELL. In the light of what I have heard, I should like to make this one further statement.

If there is anybody in the United States who is concerned with surpluses, it is certainly the Department and the portion of the Department with which I am connected. It is my considered judgment, after studying this matter, that all the power that can be brought to bear on the objective of holding down overproduction is in the acreage allotments, backed up by marketing quotas, and anything else you do, like this measure, does not add to that. In other

words, you do a lot of work, go to a lot of expense, create a lot of hardships which have no relation to the overproduction. That is my one point. We feel that it will not change that pattern materially.

I have never seen anything that has stirred up farmers in the Northeast as this thing has. You spoke of tobacco in Maryland and also in Pennsylvania.

After listening to the testimony, I still feel that in the interest of eliminating cost and irritation, which do not achieve its end, the Department would like repeal of the bill.

One other thing on the cotton deal. The Department has no particular position on that, if the cotton people want it. We have never heard a single complaint that I know of from the South on this provision, which has been in there for years.

Mr. JONES. You mean the cotton provision?

Mr. McCONNELL. Yes. The reason was because the market quota was working, and not this. The minute you put it in the rest of the country, all hell broke loose. It really did.

Mr. JOHNSON. I did not get that. What did you say was the reason you had no complaint from the cotton people?

Mr. POAGE. We have always been under quotas rather than just acreage allotments.

Mr. McCONNELL. The marketing quota was really the thing.

Mr. WATTS. It is because of tobacco that our folks take the position they do. I do not know what the tobacco folks at home feel about it. I assume if you are going to write this bill so as to exclude the cotton people—I am not saying you are—if the tobacco people as a whole should determine that they wanted the same provision retained for them that the cotton people have, that would have to be considered. The tobacco boys will have to see what they have in their mind about it.

Mr. JOHNSON. I wish to ask the man from the Department one question.

Are you finding that you are creating a great hardship in the tobacco country?

Mr. McCONNELL. No, not where they have marketing quotas. Those are the ones that are doing the job of control.

Mr. JOHNSON. Tobacco is grown in Wisconsin, but not in my district. It is in the southern part of the State.

Mr. McCONNELL. The two tobacco areas which are complaining about it particularly are the ones that have held a referendum and voted not to have price supports.

Mr. POAGE. The people who have acreage allotments but not marketing quotas are the ones who are being hurt.

Mr. Hill has had to leave, and he asked us to proceed, but I think it would be well for us to hold off and not have an executive session on this today. If it meets with your approval, I will call an executive meeting of the committee in my office Tuesday morning at 10 o'clock, with the thought that in the meantime we will notify, and I will ask the clerk to notify, each member of the full committee that the subcommittee has met, has heard testimony on this bill, and is ready to act on it, but that we are advised there might be some question raised by the cotton and tobacco growers; and if anybody has any question, we want them to present it by Tuesday morning.

If there are witnesses who want to be heard, we can then have an open session. If not, we can have an executive session Tuesday morning.

Does that meet with the approval of the subcommittee members?

Mr. HOPE. Mr. Chairman, as I understand Mr. McConnell's position, it seems it is a self-evident fact that as far as cotton and tobacco are concerned, it does not make much difference.

Mr. POAGE. I do not think it does, either.

Mr. HOPE. It is just Tweedledee or Tweedledum whether we have it in or out, as far as the actual effect of it is concerned.

While I do not think it should be a part of the legislation and would like to see it taken out altogether just as a matter of principle, I certainly would have no objection if the cotton and tobacco people want to continue the Holland amendment with respect to those two commodities. Yet I do not see why it is of any importance to them, really.

Mr. POAGE. Mr. Hope, as one who is interested deeply in cotton, I do not see that it makes any difference to us, either. If we will postpone action until Tuesday morning and give everyone an opportunity to make any protest, if they have any, we can then take it up Tuesday morning if they do have a protest. If they have not, we can proceed to act.

Mr. BASS. Mr. Chairman, speaking as a member of the committee who comes from a cotton and tobacco district—wheat and corn and all of that we have in my district, but principally tobacco and cotton as a money crop—I do not believe that either the cotton people or the tobacco people seriously object to the amendment which restricts the payment, because they are primarily interested in keeping the production of both those commodities down to a minimum so that the overall program works better.

If repeal would tend to stimulate interest and the overproduction of wheat and create additional surpluses in that particular part of our program, then I believe the cotton and tobacco people would object, on the theory that the wheat people should bring their program in strict compliance just as much as the tobacco and cotton people do. I think that would be their only objection to it, looking at the overall Agricultural Adjustment Act. I do not think there would be any selfish reason for their disagreeing, because I know they are vitally interested in keeping the production of those two commodities down to a minimum.

Mr. POAGE. Do you not think the only thing to do is to wait and give them this opportunity Tuesday morning?

Mr. BASS. That is very satisfactory to me. I think that is a good idea, so they will have time to make their position clear.

Mr. WATTS. Mr. Chairman, I think putting it off is excellent. The tobacco people who have corresponded with me are merely interested in the tobacco phase. They feel every impediment possible should be thrown in the way of overproduction. We have tobacco running out our ears. The farmers who are living within the program hate to see the farmer next door violate the tobacco program and get a premium for it.

I do not know what the complications would be in administering it for tobacco without cotton. If it has been administered for years

with cotton out, I do not see why it should not be continued for tobacco.

I am speaking just for myself and my growers. Mr. Polk might have a different idea. I think if he would talk to his tobacco people, they are not in favor of people exceeding their tobacco quota. We have taken too many cuts in tobacco as it is, to encourage overproduction in any sense; is that not true, Mr. Polk?

Mr. POLK. As far as I know, the tobacco people in my area do not feel that the ACP program has anything to do with the overproduction of tobacco. My people are very much interested in having the Holland amendment taken out.

In the county that I mentioned a while ago, Brown County, Ohio, there are 2,500 tobacco farmers and, as far as I know from talking with them last fall, they were all very much disturbed about the Holland amendment and were very anxious to have it removed. They felt that because of its adverse effect on soil conservation, about which our Ohio farmers are very deeply concerned, the Holland amendment should be removed in the interest of soil conservation, and they felt it would have no effect on the tobacco crop.

Mr. BASS. The farmers of Tennessee are interested in soil conservation. I have found farmers have been more disturbed in my area in the past year over some of the attempts being made to destroy the soil-conservation program than they have been about any other phase of farming in the past 20 years.

Mr. POLK. I think that is true in Ohio.

Mr. BASS. Certainly we do not want to do anything which will hinder the soil-conservation program—one of the greatest programs ever instituted by the Federal Government with reference to farming in my lifetime.

Mr. POAGE. If everyone will discuss these problems with their own folks, they will have an opportunity, if there is any objection on the part of any segment, to present it Tuesday morning. I assure you, if there is objection, we will go into open hearing Tuesday morning and let them present their objections.

Is there any further matter to come before the subcommittee this morning?

If not, the subcommittee will adjourn, to meet at 10 o'clock Tuesday morning, in room 1526, House Office Building.

(The following statement was submitted to the committee:)

STATEMENT OF HON. E. Y. BERRY, A REPRESENTATIVE IN CONGRESS FROM
THE STATE OF SOUTH DAKOTA

I am Representative E. Y. Berry of the Second Congressional District of South Dakota. I wish to emphasize today my strong support of my bill, H. R. 32, to repeal certain restrictions imposed by the Agricultural Act of 1954 on payments under the agricultural conservation program, and any identical bills that are under consideration by your committee.

Under the present provisions of the Agricultural Adjustment Act of 1938, as amended by section 311 of the Agricultural Act of 1954, conservation practices are being discouraged.

Mr. C. B. Quam, administrative officer of the South Dakota ASC committee, informs me that during 1954 compliance with the corn allotment program will be only about 40 percent. In other words, 60 percent of the farmers in the commercial corn area in South Dakota will have overplanted their allotment. These farmers will have lost their price support protection, but during 1954 they were still eligible to receive Federal cost-sharing payments under the agricultural conservation program.

However, because of the enactment of section 311 of the Agricultural Act of 1954, during the year 1955 these same farmers will not be eligible for ACP payments.

Mr. Quam goes on to report that the general feeling of the farmers in South Dakota is that the price-support program should not be tied in with the AC program. In his letter to me under date of December 3, 1954, he wrote as follows:

"Under the price-support program, the producer is being guaranteed greater returns for his product and he receives a direct monetary benefit; but in the case of the Federal cost-sharing in the AC program the producer must contribute out of his own pocket not less than 50 percent of the cost of carrying out the practice. The benefits accruing from the conservation practices may not be of a monetary benefit to him immediately, in fact it may take several years before he realizes any financial benefit from the practices carried out; but the consumers of the United States are assured that the benefits of the soil and water conservation program will insure to them a plentiful supply of food and fiber from the farms and ranches of America.

"Therefore, it is the contention of the farmers that the Federal cost sharing should not be tied in with price supports and if a farmer does not stay within his allotment of wheat or corn, he should not be declared ineligible for cost sharing in the AC program."

I have also been contacted by numerous individuals throughout the State of South Dakota who have written to me and sent resolutions emphasizing that the existing regulation which rescinds cost-sharing payments where allotments are exceeded has the effect of discouraging establishment of good, sound soil-conservation practices.

In conclusion, I wish to again emphasize my position in support of this proposed legislation that would repeal the enactment of section 311 of the Agricultural Act of 1954.

Thank you for the opportunity of presenting my views.

(Whereupon, at 11 a. m., the hearing was recessed until 10 a. m., Tuesday, February 8, 1955.)

REPEAL OF AGRICULTURAL CONSERVATION PROGRAM RESTRICTIONS

TUESDAY, FEBRUARY 8, 1955

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON CONSERVATION AND CREDITS
OF THE COMMITTEE ON AGRICULTURE,
Washington, D. C.

The subcommittee met at 10 a. m., pursuant to call, in room 1014, New House Office Building, Hon. W. R. Poage, chairman of the subcommittee, presiding.

Mr. POAGE. The committee will come to order.

I believe we have a quorum here.

On Friday, we heard some 16 bills to repeal the so-called Holland amendment. At that time all of the statements were in favor of repeal except that Mr. Watts of Kentucky raised the question that the repeal as set out in the bills would repeal a provision of the cotton law which has been there for a long time; long before the Holland amendment was there. In other words, the cotton law has in effect had the provisions of the Holland amendment in it in years past.

I have not been able to find anybody from the cotton area that knew any reason why we should continue that provision. I do not know how it helps anybody in the cotton area. We have compliance not because one would lose his soil-conservation payments if he did not comply, but because he would be penalized to the extent of half the value of his crop if he did not comply.

As I have seen it, that has been the controlling factor in getting compliance with the cotton law. We are under marketing quotas. I think we will continue to be. I think when you are under marketing quotas, the Holland amendment has no effect because the quotas will be controlling anyhow. It is when you are under acreage allotments only and have no specific sanction for exceeding your allotments that the Holland amendment becomes an effective instrumentality.

As I suggested before you came, Mr. Watts, you raised the question that the cotton people might want to have the Holland amendment. We suggested that we would hold a meeting here today, and give anybody who felt that they wanted to keep the Holland amendment either on cotton, tobacco, or anything else, an opportunity to come in.

Mr. Watts is here. If you want to make a statement, we will be glad to hear you.

STATEMENT OF HON. JOHN C. WATTS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF KENTUCKY

Mr. WATTS. I made my statement the other day. I had a petition from some groups in Kentucky to the effect that any stumbling block to the production of excess tobacco that were in existence should

be retained. I have explored it a little further, and it is my opinion that they are going to ask for an increase in the penalty which, if passed—and I cannot anticipate too much opposition to it in view of the fact that it certainly is the desire of the committee and the House to hold down surpluses as much as they can—unless cotton makes a point of staying out, I do not believe tobacco will want to be out by itself.

Mr. POAGE. Mr. Andresen, I do not know whether you came to make a presentation on this matter.

Mr. ANDRESEN. What matter do you have before you?

Mr. POAGE. We held hearings Friday on the 16 bills, and as I explained to the gentlemen before you came in, all of the testimony was for passage. But there was some question as to whether the cotton or tobacco people might want to retain this provision. Mr. Watts has just suggested that the tobacco people would not want to insist on retaining it unless the cotton people did. Nobody from the cotton area has suggested that they wanted to retain this. I talked to several and I find no disposition at all to try to keep it.

Personally I see no reason for keeping it for cotton.

Mr. GRANT. No. I just wonder why we have not heard anything about it in all this time.

Mr. POAGE. Nobody cares anything about keeping it.

Mr. ANDRESEN. Is this the Holland amendment?

Mr. POAGE. Yes.

Mr. ANDRESEN. We opposed this in the conference committee.

Mr. POAGE. That is right. We are proposing to try to take it out.

Mr. ANDRESEN. I am for that. You can put me on record for taking it out.

Mr. POAGE. Thank you, sir.

Mr. WATTS. I just wanted to drop by, because I raised the question, to clarify it for you.

Mr. POAGE. We appreciate you doing it.

Mr. WATTS. Maybe the thing does have some tendency to restrict production on crops, but it can be controlled otherwise.

Mr. McINTIRE. Mr. Chairman, before Mr. Watts leaves, in his remarks a question comes to mind more for clarifying my own thinking, but he was mentioning there is some indication of a desire to increase the penalties for noncompliance.

Mr. WATTS. On burley tobacco.

Mr. McINTIRE. Is that due to the fact that there is substantial noncompliance?

Mr. WATTS. In 1953 the penalty was 40 percent. We had 6,500 acres of noncompliance tobacco. That does not sound like a whole lot, but it is quite a factor. We raised that penalty last year. I appeared before Mr. Hill's subcommittee. We raised it to 50 percent. But despite that, we are going to have 12,000 acres this year. We have to get it high enough to take the profit out of violating the program.

Mr. McINTIRE. In view of that, there still is no basis for retaining this provision. That is not a factor enough to retain it.

Mr. WATTS. That was the point I made a moment ago. Since the burley people had indicated a great need for increased penalty—and I think the Department recognizes it, too, I talked to Mr. Miller of the Tobacco Branch, and while I am not in a position to exactly quote him, he is in sympathy to raising the penalty—if the penalty is boosted

to around 75 percent, you probably would have enough deterrent in the law.

Mr. POAGE. Would you not think it would be true that if the 50-percent penalty does not deter a man from growing tobacco that the loss of his conservation payments would have no effect?

Mr. WATTS. I would say the Holland amendment is more psychological on the farmer than deterrent. They take the position that here is a man violating the program and he should be penalized in every way possible.

Mr. McINTIRE. The only question that comes to my mind is that the increase in penalty has not yet been provided. Is there any merit in not removing it?

Mr. POAGE. It does not apply to tobacco now. I say it does not apply to tobacco. I should not say it that way. It did not apply to tobacco before we passed the Holland amendment. Cotton has always had that provision, or at least as long as I can remember. A man who overplanted his cotton allotment lost his soil-conservation payments.

Mr. McINTIRE. Is that also true with tobacco prior to the Holland amendment?

Mr. POAGE. It was not true with respect to tobacco prior to the Holland amendment. Cotton was the only commodity. Now, if we repeal the Holland amendment, we will repeal the entire law unless we make some special provision, and the repeal will apply to cotton as well as to other commodities. We have a 50-percent penalty on cotton just as we now have on tobacco. There is not enough profit in cotton to justify a man planting cotton with a 50-percent penalty. I can see if you got enough profit you would have to have a higher penalty. I have never known anybody to deliberately grow cotton with the expectation of paying that 50-percent penalty. I do not know of a single instance of it. It is a most unusual situation in cotton if it has ever been done. Men have paid the penalty, but they did not go out planting the cotton with the deliberate idea they are going to pay the penalty. I can see they might do it under tobacco. If that is true, it would seem perfectly clear to me, then, the fact that they would lose these soil-conservation payments certainly is not going to keep them from overplanting. We will just lose the advantage of protecting our soil.

The point that was made here Friday was—and I thought a good one—the purpose of the payments was not to enrich some farmer, but to improve our soil. If we want to penalize the soil of the Nation, we can do this thing, but it will not have any effect on crops like cotton and tobacco in restricting the production of them. But we will restrict possibly to some degree—conceivably to some degree—the amount of soil conservation work that is done.

Mr. McINTIRE. Thank you.

Mr. POAGE. I do not want to hasten this thing too much but there is a cotton subcommittee meeting on, and I know Mr. Grant and I both want to attend it. Is there any further discussion of this bill?

Mr. HILL. This is what we discussed the other day. I do not think that we had enough opposition to the bill or none that we should not report it right out to the main committee for action. If you are ready for that, I will be glad to so move.

Mr. POAGE. I am ready for it. We have 16 bills here.

Mr. HILL. I do not care whose bill it is. I am willing to leave that to the chairman. I think Mr. Hope had one.

Mr. POAGE. Yes; he has one.

Mr. HILL. I would say that either you or Mr. Hope would introduce the bill. You are the chairman, if you would rather do it yourself——

Mr. POAGE. I do not want to do it at all.

Mr. HILL. I think an effort should be made to get it up as soon as you can.

Mr. POAGE. Mr. Hope's bill is No. 1573. Do you move that we approve it?

Mr. HILL. I do with your permission. I move, Mr. Chairman, that we report unanimously Mr. Hope's bill, H. R. 1573, concerning the repeal of section 2 of the Agricultural Adjustment Act.

Mr. POAGE. Is there a second?

Mr. McINTIRE. I second.

I have a question that I would like to ask. Am I correct in assuming that the Department—I am sorry I was not here Friday—is on record?

Mr. POAGE. The Department did recommend the legislation.

Mr. McINTIRE. I second.

Mr. POAGE. The motion has been made and seconded that we favorably report H. R. 1573, by Mr. Hope. All in favor say "Aye"; all opposed say "No." It is unanimous, and the bill is favorably reported to the full committee.

I trust there is nothing further to come before this subcommittee.

Mr. GRANT. I trust not.

Mr. POAGE. If not, we adjourn subject to call of the Chair.

(Thereupon, at 10:20 a. m., the subcommittee adjourned subject to call.)

ACREAGE ALLOTMENTS AND CONSERVATION PAYMENTS

HEARING BEFORE A SUBCOMMITTEE OF THE COMMITTEE ON AGRICULTURE AND FORESTRY UNITED STATES SENATE EIGHTY-FOURTH CONGRESS

FIRST SESSION

ON

S. 139

A BILL TO REPEAL THE AMENDMENT TO SECTIONS 348 AND 374 OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938, MADE BY SECTION 311 OF THE ACT OF AUGUST 28, 1954 (PUBLIC LAW 690, EIGHTY-THIRD CONGRESS)

S. 443

A BILL TO REPEAL SECTION 348 OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938

S. 494

A BILL TO REPEAL SECTION 348 OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938

S. 517

A BILL TO REPEAL SECTION 348 OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938 WHICH PENALIZES OTHER SOIL-CONSERVATION PRACTICES WHEN ACREAGE ALLOTMENTS ARE EXCEEDED

S. 532

A BILL TO REPEAL SECTION 348 OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938

AND

H. R. 1573

AN ACT TO REPEAL SECTION 348 OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938

MARCH 23, 1955

Printed for the use of the Committee on Agriculture and Forestry

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ACREAGE ALLOTMENTS AND CONSERVATION PAYMENTS

WEDNESDAY, MARCH 23, 1955

UNITED STATES SENATE,
SUBCOMMITTEE ON ACREAGE ALLOTMENTS
AND CONSERVATION PAYMENTS OF THE
COMMITTEE ON AGRICULTURE,
Washington, D. C.

The subcommittee met at 10 a. m., pursuant to call, in room 324, Senate Office Building, Senator Hubert H. Humphrey, presiding.

Present: Senators Humphrey and Scott.

Senator HUMPHREY. The hearing will come to order.

This hearing is with reference to S. 139 and various other bills of a like nature, to repeal the amendment to section 348 and section 374 of the Agricultural Adjustment Act of 1938. The bills will be incorporated in the record at this point.

(The bills referred to are as follows:)

[S. 139, 84th Cong., 1st sess.]

A BILL To repeal the amendment to sections 348 and 374 of the Agricultural Adjustment Act of 1938, made by section 311 of the Act of August 28, 1954 (Public Law 690, Eighty-third Congress)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (1) section 311 of the Act entitled "An Act to provide for greater stability in agriculture; to augment the marketing and disposal of agricultural products; and for other purposes", approved August 28, 1954 (Public Law 690, Eighty-third Congress), is repealed, and (2) the provisions of law amended by such section are reenacted in the form in which they existed immediately prior to the enactment of such section.

SEC. 2. This Act shall be effective with respect to 1955 and succeeding crops.

[S. 443, 84th Cong. 1st sess.]

A BILL To repeal section 348 of the Agricultural Adjustment Act of 1938

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 348 of the Agricultural Adjustment Act of 1938, as amended, is hereby repealed effective with the 1955 crops.

[S. 494, 84th Cong. 1st sess.]

A BILL To repeal section 348 of the Agricultural Adjustment Act of 1938

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 348 of the Agricultural Adjustment Act of 1938, as amended, is hereby repealed, effective with respect to 1955 and subsequent crops.

[S. 517, 84th Cong., 1st sess.]

A BILL To repeal section 348 of the Agricultural Adjustment Act of 1938 which penalizes other soil-conservation practices when acreage allotments are exceeded

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 348 of the Agricultural Adjustment Act of 1938, as amended, is hereby repealed effective with the 1955 crops.

[S. 532, 84th Cong., 1st sess.]

A BILL To repeal section 348 of the Agricultural Adjustment Act of 1938

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 348 of the Agricultural Adjustment Act of 1938, as amended, is hereby repealed effective with the 1955 crops.

[H. R. 1573, 84th Cong., 1st sess.]

AN ACT To repeal section 348 of the Agricultural Adjustment Act of 1938

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 348 of the Agricultural Adjustment Act of 1938, as amended, is hereby repealed, effective with respect to 1955 and subsequent crops.

Passed the House of Representatives March 2, 1955.

Attest:

RALPH R. ROBERTS, *Clerk.*

Senator HUMPHREY. Mr. Peterson, the Assistant Secretary of Agriculture, is with us this morning. They have you listed here as the witness to testify relating to this series of bills that we have had introduced by many of our colleagues in the Senate, as well as one from the House.

I am going to have included in the record, prior to Mr. Peterson's testimony, a letter to Senator Ellender, dated February 9, 1955, signed by True D. Morse, and also a letter dated March 10, 1955, addressed to Senator Ellender, chairman of the Committee on Agriculture and Forestry, signed by Earl L. Butz, each as Acting Secretary of Agriculture. These letters state the Department's position in reference to the series of bills we have before us.

(The two letters are as follows:)

DEPARTMENT OF AGRICULTURE,
Washington 25, D. C., March 10, 1955.

HON. ALLEN J. ELLENDER,

*Chairman, Committee on Agriculture and Forestry,
United States Senate.*

DEAR SENATOR ELLENDER. This is in reply to your request of January 12, 1955, for a report on S. 139, a bill to repeal the amendments to sections 348 and 374 of the Agricultural Adjustment Act of 1938, which were made by section 311 of the Agricultural Act of August 28, 1954 (Public Law 690, 83d Cong.).

With respect to the effect of this bill on section 348 of the Agricultural Adjustment Act of 1938, this Department recommends that the entire section 348 be repealed. The proposed bill would repeal only that part of the section which was added by Public Law 690, 83d Cong. If S. 139 is enacted, the provision that a person comply with his cotton acreage allotment would remain in effect. It is the view of this Department that ACP's eligibility should not be conditioned on compliance with any of the acreage allotments. The principal effect of such restrictions is to discourage the carrying out of needed conservation work. This Department therefore favors the elimination of the entire eligibility requirement imposed by section 348 rather than elimination of the requirement for only a part

of the crops with acreage allotments. More details of our recommendation are contained in our report to you with respect to S. 494, S. 517, and S. 532.

The Department recommends against the provision of S. 139 which would repeal the 1954 amendment to section 374 of the Agricultural Adjustment Act of 1938. That amendment directed the Secretary to provide a method by which a farmer who overplants any basic crop allotment may adjust the planted acreage to the farm acreage allotment. S. 139 would restore, in place of this provision, the last sentence of section 374 (b) of the Agricultural Adjustment Act of 1938, as amended, which was similarly worded except that it applied only to cotton.

Since the passage of Public Law 690, farmers have been expecting to be permitted to adjust their planted acreage to come within the allotment on each basic crop if they so desired. To change at this time, with respect to the 1955 crop, would lead to much dissatisfaction, misunderstanding, and administrative difficulty in connection with some crops, particularly corn and rice.

The Department believes that the provision for adjusting the planted acreage to the allotment should be applicable equally to all the basic commodities. In our opinion the provision in the present law should be retained.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

EARL L. BUTZ,
Acting Secretary.

DEPARTMENT OF AGRICULTURE,
Washington, February 9, 1955.

HON. ALLEN J. ELLENDER,
*Chairman, Committee on Agriculture and Forestry,
United States Senate.*

DEAR SENATOR ELLENDER: This is in partial reply to your letter of January 19, 1955, requesting reports on certain bills relating to agriculture. We are herein reporting on S. 494, S. 517, and S. 532. These bills are identical and would repeal section 348 of the Agricultural Adjustment Act of 1938, as amended. This section which was amended by section 311 of Public Law 690, 83d Congress, provides that any person who knowingly harvests any basic agricultural commodity on his farm, which has been determined by the Secretary to be in excess of the farm acreage allotment, shall not be eligible for any ACP payment. All persons applying for any ACP payment are required to file with the application a statement of facts showing eligibility under this provision.

The Department approves of this proposed legislation. At present the only ACP payments made are for cost sharing with respect to conservation practices carried out on farms, and these payments represent only a share of the cost of performing the conservation measure. There was a direct relationship between acreage allotments and a portion of the payments made under the Soil Conservation and Domestic Allotment Act, prior to 1944, but it no longer exists. Also, the present average ACP amount of cost sharing of less than \$100 is not large enough to be a strong incentive for farmers to comply with acreage allotments.

The principal effect of this restriction on ACP assistance will be to discourage conservation on family-type farms. Since it is expected that most farmers will comply with marketing-quota provisions, the eligibility requirement of section 348 will affect principally farmers with corn allotments and farmers with less than 15-acre wheat allotments. Under marketing-quota requirements a farmer with a wheat allotment less than 15 acres is permitted to grow and harvest 15 acres of wheat without incurring a marketing-quota penalty. This exemption, however, does not apply to the ACP eligibility requirement of section 348.

Based on past experience it is estimated that there will be about 750,000 farms with a 1955 wheat acreage allotment of less than 15 acres. A high percentage of these farms is expected to take advantage of the 15-acre limit and thereby become ineligible for 1955 ACP assistance. It is estimated that there will be 1,600,000 farms with a 1955 corn allotment. Based on the compliance obtained in 1954 it is likely that up to 60 percent or almost 1 million farms will have excess corn acreage in 1955 which would make them ineligible for 1955 ACP payments. Even though some farms with small wheat allotments also grow corn and would be included in both of the foregoing estimates, it is likely that substantially more than 1 million farms would not be eligible for ACP payments, due to the provisions of section 348.

Elimination of this entire requirement of eligibility is desirable. Its repeal would not require additional appropriations.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE, *Under Secretary.*

Senator HUMPHREY. Also, I ask that a statement by Senator Carlson—he is the author of one of the bills—be embodied in the text of the record, as well as a statement by Senator Francis Case of South Dakota in reference to his bill; and also I ask that a letter which I have received from James G. Patton, president of the National Farmers Union, be made a part of this record. It relates to the series of bills that are before us, all of which have the same purpose.

(The statements and letter are as follows:)

STATEMENT FILED BY THE HONORABLE FRANK CARLSON, UNITED STATES SENATOR
FROM THE STATE OF KANSAS

Mr. Chairman, my bill, S. 494, was introduced for the purpose of repealing section 348 of the Agricultural Adjustment Act of 1938 as amended. I feel that it was never intended or contemplated, even remotely, that the agricultural conservation program should be tied in with the acreage allotment and marketing quota law.

The effect of this amendment, which is now section 348, was to deprive a farmer of his ACP payments if he knowingly exceeded his acreage allotment on any one of the crops then under control. I do not believe there was any element of control contemplated in the original ACP program.

The provision I am attempting to repeal here will particularly affect corn and wheat producers. It will not have any material effect on cotton and peanut and tobacco producers because those commodities are under marketing quotas whenever acreage allotments are in effect and that almost automatically prevents any farmer from being out of compliance.

There is a particular situation affecting wheat that I wish to mention, and that is that under the Agricultural Adjustment Act all producers may produce and sell without penalty up to 15 acres of wheat. That does not mean that they are in compliance if their acreage allotments are less than 15 acres. If their allotments are less than 15 acres and they plant 15 acres, then they are out of compliance, and under the legislation we are trying to repeal by this bill those farmers would be out of the ACP program.

There are many farmers in Kansas, and particularly eastern Kansas, who farm comparatively small acreage and whose quota was 15 or less acres of wheat or corn. Many of those farmers, because of various reasons, felt they were not out of compliance as long as they did not plant over 15 acres—thus they have been penalized.

We have the word of the Department, as per the letter of February 9, 1955, from Under Secretary True D. Morse, that the Department of Agriculture looks favorably upon this bill.

Being a farmer in my own right, and having been a Member of Congress when the original bill of 1938 was passed, I feel quite strongly in advocating the repeal of section 348 as proposed in my bill S. 494.

STATEMENT FILED BY HON. FRANCIS CASE, UNITED STATES SENATOR FROM THE
STATE OF SOUTH DAKOTA

The provisions of the law, section 311 (a) of the Agricultural Act of 1954, Public Law 690, 83d Congress, which provides that any farmer who knowingly harvests either cotton, wheat, corn, tobacco, peanuts, or rice in excess of the 1955 acreage allotment for any of these commodities on any farm in which he has an interest as landlord, tenant, or share cropper will not be eligible for any Federal cost sharing under the 1955 agricultural conservation program on that farm or any other farm.

This provision of the law was severely criticized by the groups as they do not wish to have this provision apply to wheat or corn. We have had a number of letters requesting that some action be taken to have the above section repealed.

In 1954 in South Dakota it now appears that the compliance in the corn allotment program will only be about 40 percent; in other words, 60 percent of the farmers in the commercial corn area will have overplanted their allotment. They have lost their price support protection, but under the present provision governing the 1954 program, they will still be eligible to receive Federal cost-sharing payments under the agricultural conservation program. In 1955, if similar conditions prevail, they will not be eligible for ACP payments. It is the general feeling of the farmers that price support should not be tied in with the AC program. Under the price support program, the producer is being guaranteed greater returns for his product and he receives a direct monetary benefit; but in the case of the Federal cost sharing in the AC program the producer must contribute out of his own pocket not less than 50 percent of the cost of carrying out the practice. The benefits accruing from the conservation practices may not be of a monetary benefit to him immediately, in fact it may take several years before he realizes any financial benefit from the practices carried out; but the consumers of the United States are assured that the benefits of the soil and water conservation program will insure to them a plentiful supply of food and fiber from the farms and ranches of America.

For this reason, therefore, I introduced S. 517, a bill to repeal section 311 (a) of the Agricultural Act of 1954, Public Law 690, 83d Congress.

I appreciate the opportunity to present this information to the members of the Senate Agriculture and Forestry Committee and will appreciate any considerations given to S. 517.

NATIONAL FARMERS UNION,
Washington 5, D. C., March 18, 1955.

Senator HUBERT H. HUMPHREY,
*Chairman, Special Subcommittee,
Senate Committee on Agriculture and Forestry,
Senate Office Building, Washington 25, D. C.*

DEAR SENATOR HUMPHREY: Please accept our sincere good wishes as you assume chairmanship of an important agricultural subcommittee of the Senate. We regret that your hearing on the important matter of repealing section 348 comes at a time when none of our representatives can be in Washington, owing to our biennial leadership conference being held in Denver, Colo.

As we informally told the House Agriculture Committee, we feel that the cross-compliance requirement between acreage allotments and the agricultural conservation program by the Agricultural Act of 1954 has not and will not operate to benefit anyone and has been and would continue to do great injury to the conservation program. Therefore, we would appreciate your making this letter a part of the printed hearings of your subcommittee.

The requirement of present law that a farmer be in full compliance with all acreage allotments on his farm in order to retain his eligibility to participate in the ACP program is, as far as we know, favored only by those who have already expressed their opposition both to a firm adequate farm price support program and to the continuation of adequate appropriations for ACP. The provision has served to greatly reduce the number of farm families who can qualify for participation in the ACP program. This is a tendency that has already been greatly exaggerated by red tape added to the program by Eisenhower appointees in the Department of Agriculture.

A farm township in Wisconsin is a typical example. One hundred and sixty farm families live in the township. Three years ago, 150 families participated in the ACP. In 1953, 90 families participated; in 1954 48 families; and in 1955 only 15 families have signed up.

Not all this reduction in participation in ACP is due to section 348, which would be repealed by the bill before your committee. Some of the loss in ACP participation is due to the disastrous drop in farm income during the past 26 months of sliding-scale philosophy in the executive branch. Farmers simply do not have the money to spend for good conservation facilities and practices. Other reasons for the drop in participation include the disruption, reorganization, and reduced workdays of county and community farmer committeemen. Part is no doubt due to the regulation prohibiting reelection of many experienced community committeemen. Moreover, added requirements, many that require additional expenditures from reduced farmer income, have discouraged farmers from participation in ACP. Taken together all these causes, plus the widely

publicized anti-ACP attitude of President Eisenhower's Secretary of Agriculture, have so severely crippled ACP, in spite of congressional mandates to the contrary that one is almost convinced that these moves have been made in a deliberate attempt to discredit the ACP program in the eyes of its direct beneficiaries—the family farmers of America.

Section 348, as amended in the Agricultural Act of 1954, must bear a share of the blame for injuring the ability of farmers to participate in ACP. Congress should repeal this law. We urge your subcommittee to so recommend.

We are fully conscious of the fact that a contemporary farm organization is opposed to repeal, their announced aim being to make both ACP and firm adequate price supports so unpalatable to farmers that the organization's leadership clique can win the sliding-scale effort it started about 9 years ago. We in National Farmers Union, the Nation's fastest growing farm organization, do not believe that the contemporary organization that opposed repeal of section 348 is representing either the opinions or best interests of rank and file farm families on the land.

We appreciate being invited to express our views on this important matter. We shall also appreciate your permitting us to put our views before you in this manner.

Sincerely,

JAMES G. PATTON, *President.*

Senator HUMPHREY. The National Grange will file a statement in favor of the bill. When that is received that will be made a part of the record.

(The statement is as follows:)

MARCH 23, 1955.

Senator HUBERT H. HUMPHREY,

*Subcommittee Chairman, Committee on Agriculture and Forestry,
United States Senate, Washington, D. C.*

DEAR SENATOR HUMPHREY: Thank you for your letter of March 17, giving the National Grange the opportunity to submit its views with respect to S. 443, S. 494, S. 517, S. 532, and S. 139, the several bills relating to section 348 of the Agricultural Adjustment Act of 1938.

These bills would repeal section 348 of the Agricultural Adjustment Act of 1938 which, as amended by the Agricultural Act of 1954, provides that a farmer who knowingly harvests any basic agricultural commodity on his farm in excess of the farm acreage allotment shall not be eligible for any agricultural conservation payment.

The Grange favors the repeal of section 348.

The executive committee of the National Grange, on January 24, 1955, adopted a resolution authorizing the national office to seek repeal of this provision. It was their view that payment for conservation practices should not be used as an enforcement measure to obtain compliance with other programs unrelated to conservation matters.

There is no longer any direct relationship between the agricultural conservation program and the acreage allotment and marketing quota program. Conservation payments are so small that, in the main, they would have little effect from the standpoint of enforcing compliance with acreage allotments, but their denial might prove costly in the way of "lost" conservation. In addition, the farmers who are most likely to be affected if section 348 remains in the law are the small farmers who need every encouragement to continue carrying out needed conservation practices.

The National Grange does not favor the enactment of the provision of S. 139 which would repeal the 1954 amendment to section 374 of the Agricultural Act of 1938, as amended, and restore, in its place, the former wording of 374 (b) which applied exclusively to cotton. The 1954 amendment of section 374 enables farmers to adjust their planted acreage of any basic crop in order to come within compliance. The former provision, which would be restored by S. 139, would permit this action only with respect to cotton. This, we believe, would be unfair.

We favor the repeal of section 348 and the retention of the 1954 amendment to section 374 which applies equally and fairly to all the basic commodities.

Respectfully,

JOSEPH O. PARKER,
Legal Consultant to the National Grange.

Senator HUMPHREY. Now, Mr. Peterson, we would like to hear from you.

STATEMENT OF HON. ERVIN L. PETERSON, ASSISTANT SECRETARY OF AGRICULTURE, AND FRED G. RITCHIE, ACTING ADMINISTRATOR, AGRICULTURAL CONSERVATION PROGRAM SERVICE, UNITED STATES DEPARTMENT OF AGRICULTURE

Mr. PETERSON. Mr. Chairman and gentlemen of the committee, the several bills which you have mentioned, together with the group which were introduced in the House, have generally the same basic purpose, the repeal of section 348 of the Soil Conservation and Domestic Allotment Act as amended.

H. R. 1573 as passed by the House would accomplish the same purpose.

The Department of Agriculture believes that the repeal is desirable.

Section 348 of the Soil Conservation Domestic Allotment Act as amended by the Agricultural Adjustment Act of 1954 provides that any person who knowingly harvests in excess of his acreage allotment for any basic commodity shall not be eligible for participation in the ACP program by way of receiving ACP payments. And all persons applying for ACP payments are required to certify to their eligibility under the provisions of section 348 as it now stands.

We believe it desirable that persons receiving benefits under one program not be in a position to defeat the purposes of other programs. However, the provisions of section 348 as it now stands we believe is not particularly effective in accomplishing the intended purposes. This section does not appear to be effective in influencing farmers to comply with acreage allotments.

In the first place, the average payment, that is, the average ACP payment, is less than \$100. And where it is to the farmer's advantage to ignore the allotments as in the case of corn grown for use on the farm, they do ignore it.

In the case of corn, as I recall the figure, there were about 1 million farms last year which did not comply with acreage allotments.

In the case of wheat, if you will recall, it is permissible to plant up to a maximum of 15 acres without penalty, even though the allotment may be less than that. If he finds himself in compliance with the 15-acre provision, but because of the requirements of this section, if his allotment was less than 15 acres, he would not be eligible for the ACP payment.

So, over all, the provision has caused confusion. Its purpose may be desirable, but we do not believe that it has accomplished it. It is administratively difficult and we recommend its repeal.

Senator HUMPHREY. Is it fair to say, too, that by doing away with the payments under the penalty provisions of section 348—a penalty provision is what it amounts to; is it not?—you may very well void some of the soil conservation payment program that you wanted to promote?

Mr. PETERSON. I think that is a reasonable conclusion. It also may result in the fact that under the acreage allotment program or the acreage to be diverted, some of that acreage would in fact be diverted if this ACP program were available. Where it is not available for one reason or another as to the particular crop on the farm, additional acreage may not be diverted.

Senator SCOTT. As I understand it now, you are saying this should not affect anybody who otherwise would be entitled to soil conservation payments?

Mr. PETERSON. That is right, Senator Scott. In other words, if the section is repealed——

Senator SCOTT. I just wanted to make this observation. On some farms—burley tobacco farms—the average crop is seven-tenths of an acre. They are going to cut that, it looks like now, and if you cut it much more you would not be able to find the patch, especially if you raise an umbrella. The way it has been, you would throw that man out of the program if he did not comply and cut down the few stalks of tobacco that he has. That is what it amounts to.

These boys in the West cannot understand our situation in cotton. We have cotton farmers in the South who have just 3 or 4 acres of cotton. And you knock him out of the whole program.

One thing that makes those folks fight for their cotton acreage, that little bit, is because it is a question of living down there—I mean, making a bare living.

Of course, we have been wearing out the soil more and more. If you can get that man to conserve his soil and build it up, why, I would not cut him out of the program because he did not comply. Maybe he has but two little short rows of cotton the length of this room here. But to go in there and say, "Because you overplanted, you cannot have this other." I think that is wrong, if you want to conserve the soil.

That is, after all, the fundamental as to what this program is for.

Mr. PETERSON. It seems to us that there is no very great relationship between the ACP program and the acreage allotment program, particularly as it is set forth in this particular section that we are talking about.

I agree, of course, where the man is receiving benefits from the Government program on one hand that he should not defeat it on the other hand. We do not believe that this particular section contributes toward supporting either one or the other.

Senator SCOTT. I think you will find that applies to the wheat growers out in Kansas.

Mr. PETERSON. Mr. Ritchie of the ACP program service is here.

Senator HUMPHREY. What is your full name?

Mr. RITCHIE. Fred C. Ritchie.

Senator HUMPHREY. Do you have any comment that you would like to make?

Mr. RITCHIE. I will be glad to answer any questions that you might have on the operation of this.

Senator HUMPHREY. We have had a discussion of this bill in the full committee, Senator Scott, as you will recall, and the feeling was that we should not report the bills out of any committee without at least an opportunity for the public to be heard as well as the departments. That is why this was assigned to the subcommittee.

I am of the opinion that the committee in the main is very sympathetic toward its objective. I think you know that, Mr. Ritchie and Mr. Peterson. Our hope was that we could expedite action on it and get it under way.

Have you thought that the operation of section 348 has impaired or impeded in any way your ACP program?

Mr. RITCHIE. I believe it has, as it applied to these crops, such as corn and wheat, particularly. We find a good many farmers who come to the county offices to see about getting east, sharing under the ACP on the conservation work that they would like to do. We have to inform them about the provisions of this section of the act, to be sure that they are not misled and go ahead and do their work and then find themselves ineligible for ACP help. A large portion of them, when they find that they have to comply with all of the allotments, decide that they will just forego the conservation activity.

So we feel like it is deterring the achievement of conservation, out of proportion to the benefits that it is getting in causing these farmers to comply with the allotments.

Senator HUMPHREY. In other words, the penalty is not sufficient to get compliance under the allotment, but the loss of the benefits under ACP could in some way retard some of your efforts in soil conservation?

Mr. RITCHIE. That is correct.

Senator HUMPHREY. Do you have anything more?

Mr. PETERSON. Nothing further.

Senator HUMPHREY. We are very grateful to you.

Mr. PETERSON. Thank you for this courtesy.

Senator HUMPHREY. Now, Mr. Lynn, I know that you want to help us and give us your views on the series of bills that we have discussed here with the Assistant Secretary of Agriculture, Mr. Peterson.

STATEMENT OF JOHN C. LYNN, LEGISLATIVE DIRECTOR, AMERICAN FARM BUREAU FEDERATION

Mr. LYNN. Mr. Chairman and gentlemen of the committee; I believe that the quickest way for me to do that is to read our statement. It is very brief.

Senator HUMPHREY. That will be very fine. You may proceed.

Mr. LYNN. Section 348 of Public Law 690, 83d Congress, provides that any person who knowingly harvests any basic agricultural commodity on his farm which has been determined by the Secretary to be in excess of the farm acreage allotment shall be eligible for any ACP payment. All persons applying for any ACP payment are required to file with the application a statement of facts showing eligibility under this provision. The American Farm Bureau Federation supports section 348 as passed by the 83d Congress.

It is a well-known fact that our agricultural production plant in the United States is overexpanded. Certainly, the Congress has a responsibility for helping farmers to keep supplies in line with demand. One of the criteria in the Agricultural Act of 1949, as amended by the Agricultural Act of 1954, as it relates to price supports is the ability and willingness of the producers to keep supplies in line with demand. When a producer disregards the acreage allotment established for his farm and continues to overproduce, it seems unwise to provide funds under the ACP program to make a payment to this individual. If section 348 is deleted from the law and Congress authorizes ACP payments when producers willfully harvest more than their acreage allotment, the effect is to provide a Government incentive to disregard their allotments. This has the effect of increasing the agricultural

plant which will add to the oversupply of agricultural commodities and thereby make it more difficult for farmers to get and to keep supplies in line with demand.

Senator HUMPHREY. Is this the most recent resolution?

Mr. LYNN. Yes, 1955.

Current AFBF resolutions have the following to say on the subject:

National policies affecting farm production and marketing should promote a realistic balance between markets and productive capacity. We now have a greatly expanded productive plant and reduced foreign markets. It is urgent that policies be adopted which will regain and expand agricultural markets to a point where they balance production.

The most satisfactory solution to the current farm problem is to expand domestic and foreign markets. Any program which has the result of expanding agricultural output in the absence of a comparable increase in effective market demand is contrary to the interests of farmers. Likewise, programs which induce producers to continue inefficient production render a disservice to agriculture by contributing to the accumulation of surpluses, raising the average cost of production, and limiting production per man—all of which tend to limit the opportunity of farm people to earn a good income.

Regardless of how popular it may seem at the moment to appear in the role of a donor of public funds to expand agricultural production, consideration must be given to the consequences of such action. The Department of Agriculture estimates that as many as a million farmers will exceed their allotments. If this section is deleted, each of such farmers would be eligible for an average payment of around \$81. This would permit the addition of another \$81 million worth of productive capacity to agriculture. This would occur in the face of the fact that the Government has requested farmers to take about 38 million acres out of the production of major crops in 1955 as follows:

	1953 seeded acres	1955 allotment, acres	Reduction from 1953 acreage to 1955 allotment (diverted acres)
Wheat.....	78,789,000	55,000,000	23,789,000
Cotton:			
Upland.....	25,151,400	18,113,208	7,038,192
American-Egyptian.....	92,600	46,154	46,446
Corn, commercial area only.....	57,007,000	49,842,697	7,164,303

Rice is excluded, but it is a minor exclusion.

The Farm Bureau is anxious for Congress to show more instead of less responsibility toward this unfortunate situation. AFBF resolutions further state:

In considering the "diverted acres" problem the following facts need to be recognized:

(1) Price supports tend to draw additional resources into agriculture and stimulate production of supported commodities.

(2) Therefore, Government action is necessary to prevent serious overproduction.

(3) The primary governmental method for restricting production up to this time has been acreage allotments and marketing quotas.

(4) It is unfair to use acreage and other resources diverted from price supported crops to produce other commodities in such quantities as to seriously impair or destroy the markets for those commodities.

We have previously recommended the enactment of legislation directing that the acreage diverted from price supported commodities not be used in such a way as to seriously injure producers of other commodities. Present legislation does not give the Secretary of Agriculture clear direction to take needed action. It only gives the Secretary discretion to control production on diverted acres.

It is now clear that the Secretary must have mandatory direction from the Congress if diverted acres resulting from mandatory price supports are to be kept from injuring producers of other crops.

Accordingly, we urge that Congress promptly enact legislation directing the Secretary of Agriculture to prepare, on an appropriate geographical basis, lists of crops which may not be produced for direct or indirect sale, or may be so produced to a limited extent on acres diverted from any crop receiving price support, when conditions are such that limitations on the use of diverted acres are necessary to prevent the production of excessive supplies.

Price supports should not be made available on storable nonbasic crops at such levels as will encourage excessive shifts of diverted acres to the production of such crops.

If Congress displays a lack of responsibility it cannot escape the burden of having contributed to a destruction of the farm price support program which rests squarely on the proposition that it is the responsibility of producers to keep supplies in line with demand. We all know that present price supports are encouraging the production of price-depressing surpluses; and for Congress to further encourage increased production, without concrete action being taken that will result in a corresponding increase in markets, is certainly not in the best interest of agriculture.

In accordance with our belief that diverted acres must be controlled, we favor the provisions of section 348 of the Agricultural Act of 1954 which provides that no person who knowingly harvests any basic agricultural commodity in excess of his farm allotment shall be eligible for ACP payments.

I would just like to add here, Mr. Chairman, that we recognize that we seem to be alone in recommending the continued operation of section 348.

We recognize there are some difficulties in the operation of Section 348, but it seems clear to us that any producer of the basic agricultural commodity should be willing to comply with his acreage allotment and marketing quota, if he is to receive any ACP payment.

I know that the Department has said these programs do not have any connection, but I submit to you that they do have a very definite connection, because you know that the ACP payment program was made effective after the Supreme Court decision in 1936. And the ACP payment program has been used and I have helped administer some of these programs over a period of years in the State of North Carolina. It has been used as a part of the incentive program with regard to marketing quotas and acreage allotments. And rather than delete this complete section, we would rather see it amended in such a way to get at some of the difficulties involved in this program.

Here is what is causing the trouble with regard to section 348. A farmer happens to be in, for example, New Jersey in a commercial corn county, and he needs 15 acres of corn to fill his silo. He only gets 10 acres allotment. We are not for preventing that man from getting his 15 acres of corn to fill his silo. That is not where the overproduction trouble is.

We would be for amending this section if necessary to provide that a farmer can produce up to 15 acres of wheat to be used on the farm or can plant over his acreage in corn if it be used for silage purposes and not for grain and still be eligible for his ACP payments.

Senator SCOTT. Mr. Chairman, this man grew up in a mighty good State. He was the county agent down there when I was. I am a

little surprised to hear him say what he has been saying. In fact, of course, he is working for somebody else; that is, kind of like you and I are.

You have those burley tobacco farmers over there with seven-tenths of an acre or less than seven-tenths. And just because that fellow plants a little over on tobacco, you cut him out of his ACP payment. And that is the only cash income he has.

You cannot always censure that man because he does that and take something else away from him.

I still do not see the position he is taking, the broadside view, when that fellow is trying to build up his soil and willing to build it up, if you help him, but if you do not help him, it is another thing. He has to live. It is kind of like that story. I know that our time is running short, but they tell this story—I recall the story years ago—that they told of two men out looking over the farms.

One man was in the corner at the fence rail and was digging up something. The other man said to him, "What are you digging?"

He said, "A groundhog."

"You do not want a groundhog."

He said, "Yes, but you do not know—I am out of meat and I am pleased to have some."

Well now, those fellows are out of meat down there and they are pleased to have some.

I think if you give them these ACP payments, just that little, it will help.

I think the Farm Bureau is narrow in that particular viewpoint in saying that those folks should not have it; that is, that ACP payment. I do not think it ought to be mixed in with this other at all.

I know that he is passing a resolution from headquarters, but I know that deep down in his heart he does not believe that. I know his background.

MR. LYNN. May I comment on that?

SENATOR SCOTT. Yes, sir.

SENATOR HUMPHREY. Go right ahead.

MR. LYNN. This provision of section 348 has been applicable to cotton for many years. All that this section 348 of the Agricultural Act of 1954 does is to make the same provisions that have been applicable to cotton over the years applicable to all basic commodities.

The problem is not in North Carolina or anywhere in the South in connection with it, because the penalty with regard to overproduction of tobacco—burley and flue cured—the penalty with regard to overproduction of cotton is severe enough that you have no trouble with farmers overplanting.

For example, in North Carolina only about 45 percent of the farmers participate in the ACP payment program.

Where this trouble comes primarily is in wheat and corn areas, particularly in those few counties outside of the "heart of the Corn Belt" that have been declared commercial corn counties.

As I said parenthetically here, we would not object to an amendment to this to take care of this situation for silage and for wheat that is going to be used on the farm up to 15 acres.

I am frank to admit, for example, that in Iowa, the southern part of Iowa, the Iowa Farm Bureau does not agree with us on this position.

I do not think a man who violates his acreage allotment on corn should receive price supports or ACP payments. I firmly believe that not only because it is part of our policy, but personally because it is right.

Senator SCOTT. He should not have price supports where he exceeds his quota, but I think there is a difference on the overall national picture where we can encourage a man to build up the soil for future generations. You do not build up the soil overnight. You cannot just order an improved soil from Sears Roebuck & Co., and receive it. You do not get it that way. You have to work with nature over a period of years. I think it takes 100 years to build an inch of topsoil.

I do not think that many of us are going to be here 100 years from now.

Our topsoil has already gone down the river. That is one of our troubles.

I think that anywhere, where we can encourage anything that concerns the soil, it is to the national interest that we do it.

And it is to the interest of the man who lives in New York City as well as anywhere else.

If you let the soil wash away as it has in a good many areas, where it has caused headaches because of that, I do not think that we are serving the national interest. I do not think that we ought to put any impediment in the way of that man.

Senator HUMPHREY. The only point of disagreement is where the penalty ought to rest. What should be the nature of the penalty for overplanting where you have acreage allotments or production quotas? I think the point is well made that if the man overplants and overproduces on acreage allotments that you might very well withdraw price supports from that man as a penalty.

Mr. LYNN. We do.

Senator HUMPHREY. It is done.

Mr. LYNN. Yes, sir.

Senator HUMPHREY. The issue which the Department representative, the Assistant Secretary, Mr. Peterson, placed before us is whether or not you ought to use a program such as the ACP payment program as a disciplinary or a punitive measure or a penalty on your planting under acreage allotment exceeding those acreage allotments. What you are really trying to do with ACP is to get soil conservation.

I think it is fair to say that there was a tie-in in the beginning of this program, and there has been a tie-in with the payments under price supports.

Senator SCOTT. We have heard quite a bit up here in Congress about double taxation. We do not believe in double penalty either.

Senator HUMPHREY. Double jeopardy. That is really a violation of the Constitution.

Senator SCOTT. To tax a man's products.

Mr. LYNN. We supported last year the \$250 million appropriation for ACP payments. We are supporting the \$175 million that has been recommended to be committed for the next year's program. We will also support an additional \$50 million if we can get at this "soil fertility bank" and the control of diverted acres idea into legislation. We have been promoting the soil fertility bank idea, you

know. I call this to your attention, because it is related to the problem we are discussing.

Senator HUMPHREY. There was also a bill for it in the Senate last year and another one this year. I have introduced it.

Mr. LYNN. That is right. We hope to discuss that with you, I am sure that we can be helpful.

I have unloaded many a carload of lime and phosphate, et cetera, under the ACP payment program, but our policies for the last 3 or 4 years have tried to emphasize the discontinuance of ACP payments on reoccurring practices, where the value of practices have become an established fact, Senator Scott.

For example, the use of limestone in North Carolina is no more a question. It is established practice.

I call your attention to the fact that in 1953, the latest figures that we have available, 42.6 percent of the money spent in ACP, which was about \$175 million, went for inorganic fertilizer material.

For example, in the Corn Belt it is a common practice to plant corn year after year on the same land. Much of this money is going for cover crops to be planted in the fall where phosphate and potash fertilizer is applied to the cover crops to turn under in the spring for corn. It is a recognized practice by the experiment station as being a profitable practice, one that the farmer should do because it pays. We do not think that ACP money should be used for those reoccurring practices which have already been established as paying practices.

We would like to see more emphasis put with regard to the ACP money on permanent practices, stripcropping, terracing, draining, and that kind of thing that is a permanent practice.

When you look over these figures you cannot help but be impressed with the fact that it seems that less and less of this money is being directed and used toward that type of permanent practice.

For example, in the North Central region, of which Minnesota is part, less than fifty-eight one hundredths of 1 percent of the money used in 1953 was on reforestation.

In North Carolina, for example, the figure was two-tenths of 1 percent. I think you will agree, Senator Scott, that on some of those bare hillsides in North Carolina, that the best thing we could do would be encourage the planting of trees.

Senator SCOTT. I agree.

Mr. LYNN. I know that this has a direct relationship to the problem that we are talking about.

Senator HUMPHREY. It does, indeed. I think your point is well taken in reference to the use of these funds.

Mr. LYNN. I would like to point out again that the percentage of farmers participating in the ACP payment program is declining. For example, in 1953 the latest figures available, 37 percent of the farmers in the United States participated in the ACP payments program.

In the State of California, for example, the 1952 figure as I recall was 16 percent of the farmers participating; in 1953 it was only 12 percent.

In the State of Kansas, for example, only 24 percent of the farmers participated in this program.

In talking to a lot of the farmers they have said to me, "Well now, we do not want to get free phosphate and free lime."

That is already an established practice. What I am simply saying is that if we would give more emphasis in this program toward permanent type practices that will really get at the thing that Senator Scott is talking about and which we are very much concerned with——

Senator SCOTT. I have no objection to that, Mr. Chairman.

Senator HUMPHREY. I think it is a very proper emphasis. I sometimes am concerned about the coordination that exists between your established soil conservation service, your ACP program, your forestry service and other services that work in these related areas. There is a tendency I think at times to shoot off in sort of separate directions.

Mr. LYNN. I think that the coordination is improving.

Senator HUMPHREY. It is improving, decidedly so. There was some resistance, I know, some years ago between soil conservation and ACP. I think that has been worked out fairly well.

Mr. LYNN. May I conclude by saying that I recognize that the Department of Agriculture has recommended the repeal of section 348 and that we are the only witness recommending the continuance of section 348. We would certainly hope that the committee would give serious consideration to this particular section. If it seems advisable to amend this section to do what I suggested before, to take care of these smaller farmers who need to put out enough corn to fill their silo, or the small wheat farmer who needs to plant enough wheat for his own home consumption, up to 15 acres, we would support an amendment to section 348 to so provide.

Senator HUMPHREY. Is there any further comment, gentlemen?

We want to thank you very, very much for your testimony. You have been very helpful to us again, Mr. Lynn, and we appreciate it.

Mr. LYNN. Thank you very much.

Senator HUMPHREY. I believe that concludes the hearing this morning.

(Whereupon, at 12 noon, the subcommittee adjourned.)

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Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued February 24, 1955
For actions of February 22, 23, 1955
84th-1st, Nos. 32-33

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See end of Digest for highlights.

HOUSE Feb. 22

1. SOIL CONSERVATION. The Agriculture Committee reported without amendment H. R. 1573, to repeal Sec. 348 of the Agricultural Adjustment Act of 1938, which makes ACP payments contingent upon compliance with acreage allotments on basic crops (H. Rept. 67)(p. 1614).
2. SOYBEANS. Rep. Jones, Mo., spoke against the Department's proposed revision of the soybean grade standards, claimed that every person attending the Memphis hearing on this proposal expressed opposition to it, and inserted a constituent's letter to the Department on this subject (pp. 1610-1, A1128-9, A1134-5).
3. HIGHWAYS. Both Houses received the President's message on national highways (H. Doc. 99)(pp. 1597, 1606-7).
4. TAXATION. The Ways and Means Committee reported without amendment H. R. 4259, to extend for 1 year the existing corporate normal-tax rate and certain excise-tax rates, and provides a \$20 credit against the individual income tax for each personal exemption (H. Rept. 69)(p. 1614).

5. FORESTRY. Both Houses received from this Department a proposed bill to authorize the Secretary to establish townsites within the national forests; to H. Agriculture Committee and S. Agriculture and Forestry Committee. (pp. 1614, 1617).
Received an Alaska Legislature resolution favoring issuance of a fee-simple title to the Pacific Northern Timber Co. of certain necessary tidelands in Shoemaker Bay (p. 1615).
6. MINERALS; LANDS. The "Daily Digest" states that the Interior and Insular Affairs reconsidered H. R. 100, to permit mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, adopted an amendment thereto, and again ordered the bill reported (p. D128).
7. RECLAMATION; ELECTRIFICATION; DROUGHT RELIEF; STATEHOOD. Received various State Legislature resolutions and other petitions favoring authorization of the Libby project, extension of the emergency drought relief feed program, and statehood for Alaska (p. 1615).
8. TARIFFS; TREATIES. Received a Mass. Legislature memorial opposing legislation lowering tariffs on imports of rubber products, and a Knights of Columbus (Brooklyn, N. Y.) petition favoring the Bricker amendment to restrict the President's treaty power (p. 1615).
9. INVESTIGATIONS. The Rules Committee reported with amendment H. Res. 91, authorizing the Foreign Relations Committee to investigate matters under its jurisdiction, including laws, regulations, etc., of the State Department and other Departments, etc., which participate in the development and execution of foreign policy (H. Rept. 64); and with amendment H. Res. 105, authorizing the Interstate and Foreign Commerce to investigate matters under its jurisdiction (H. Rept. 65) (pp. 1608-9).

SENATE - Feb. 22

10. SURPLUS COMMODITIES. The Agriculture and Forestry Subcommittee on Agricultural Exports ordered reported with amendment S. 752, to amend the Agricultural Trade Development and Assistance Act of 1954 so as to eliminate the requirement that privately owned stocks exported thereunder be replaced from CCC stocks. The "Daily Digest" states that the amendment would require sales to be charged off against the set-aside under the Agricultural Act of 1954. (p. D126.)
11. STATEHOOD. Sen. Neuberger discussed Alaska-Hawaii statehood, stating that "Secretary McKay has dragged his heels on Alaskan statehood, repudiating his onetime support of such a step," and inserted two Oreg. Legislature resolutions on this subject (p. 1597).

SENATE - Feb. 23

12. PAPERWORK. Both Houses received from the Commission on Organization of the Executive Branch of the Government (Hoover Commission) a report "Paperwork Management, Part I, in the United States Government, pursuant to Public Law 108, 83rd Congress" (H. Doc. 92); and the Commission's task force report on paperwork to Government Operations Committees (pp. 1614, 1617). This report will not be available from the Legislative Reporting Staff. Pursuant to a special arrangement, each agency of the Department is ordering its own supply of the report directly from the Government Printing Office.

REPEAL SECTION 348 OF AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

FEBRUARY 22, 1955.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. COOLEY, from the Committee on Agriculture, submitted the following

R E P O R T

[To accompany H. R. 1573]

The Committee on Agriculture, to whom was referred the bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The purpose of this bill is to repeal section 348 of the Agricultural Adjustment Act of 1938, as amended by section 311 of the so-called Agricultural Act of 1954. The present language of this section prohibits the making of agricultural conservation program payments to any farmer who "knowingly harvests" any basic commodity in excess of his acreage allotment.

Prior to 1954, section 348 of the 1938 act had applied only to cotton and had declared ineligible for ACP payments any cotton farmer who "knowingly overplanted" his allotment. Since there are no acreage allotments on cotton except when marketing quotas are in effect, and since the quota provisions themselves are an effective deterrent to overplanting, the provision was largely unnoticed and seldom used.

The section applying this principle to all basic commodities was put into the 1954 act in conference. There was no comparable provision in the House bill. Its adoption by the conferees, and subsequently by both Houses, brought about some entirely new, and to some extent unexpected, difficulties and conflicts.

In order to conform to existing law relating to several basic commodities, the section had to be made to apply to "acres harvested," instead of "acres planted." Several of the allotment and quota provisions relating to basic commodities specifically contemplate the planting of acreage in excess of the farm acreage allotment if the excess acres are not harvested in the usual manner but are used for hay, forage, or similar purposes.

Apparently, however, changing the application to "harvested acres" has not eliminated the difficulties but has, instead, multiplied the conflicts and the problems of administration.

For one thing, strict interpretation of the provisions of the section would seriously retard the agricultural conservation program. This program for any particular year is usually planned almost a year in advance and is authorized by Congress on that basis. The practices which will be approved for payment are normally determined prior to the beginning of the calendar year and soon after the beginning of the year farmers are invited to sign up for the program and begin to carry out the practices. Normally, they are eligible for payment for these practices as soon as they have been carried out or as soon as the materials have been purchased, and ordinarily all payments have been made by the end of the fiscal year on June 30.

If, in strict compliance with the terms of the section, a farmer must wait until he can certify that he has not harvested a crop in excess of his allotment, payment can frequently not be made until the following year, because in some areas some crops are still being harvested at the year's end.

Section 348, as amended, which would be repealed by this bill, is in direct conflict with the spirit of several provisions of the acreage-allotment and marketing-quota laws, and with at least two other provisions of the 1954 act itself.

The wheat-marketing-quota law provides, for example, that any farmer (whether he has a wheat allotment or not) may plant and market up to 15 acres of wheat without becoming subject to the marketing-quota provisions. It is the clear intent of this provision of law to permit farmers in areas where wheat is not a major commercial crop to plant a small acreage as a nurse crop or cover crop, or for feed on the farm, without penalty. Section 348, as amended, however, would penalize them by denying them any benefit from the agricultural conservation program unless they did comply with acreage allotments.

Section 309 (b) of the 1954 act exempts from the wheat marketing quota law wheat produced in any State where the acreage allotment for the marketing year is 25,000 acres or less. The purpose of this provision is to liberalize the marketing quota law so as to eliminate useless administrative action and to permit growers in the noncommercial areas (most of whom produce only for use on the farm and send no wheat whatever into commercial channels) to produce wheat without regard to marketing quotas. Section 348, however, would require administrative action such as this provision seeks to eliminate and make the control law stricter, instead of more liberal.

Section 304 of the 1954 act repealed the authority for marketing quotas on corn, permitting the growing of corn in excess of acreage allotments with no penalty other than the loss of eligibility for price support. Section 348, however, would add a new penalty—loss of ACP payments.

In addition, the committee believes that this short experience with section 348 of the 1938 act, as amended, has demonstrated quite clearly that it is wrong in principle. Programs designed to stabilize the price and the supply of specific agricultural commodities are and should be kept entirely separate from those programs which have as

their objective the preservation and improvement of our soil and water resources.

The marketing quota penalties and the loss of price supports in the case of acreage allotments have proved sufficient deterrents to overproduction of those commodities which are accorded price support in return for this measure of production control by farmers. Conservation programs are designed for the long-range benefit of the Nation as a whole. The carrying out of proper conservation measures may actually, in many instances, be unprofitable to the farmer who is working the land. The objectives of this program are entirely separate and different from the objectives of our price support programs and should be kept so.

A large number of similar bills were considered by the committee in its hearings on this matter. The bills included:

H. R. 32, Mr. Berry
H. R. 461, Mr. Lovre
H. R. 1776, Mr. Christopher
H. R. 1832, Mr. Polk
H. R. 1859, Mr. Wilson
H. R. 2412, Mr. Jones
H. R. 2415, Mr. Laird
H. R. 2540, Mr. Albert

H. R. 2544, Mr. Avery
H. R. 3130, Mr. Moulder
H. R. 3240, Mr. Abbitt
H. R. 3312, Mr. George
H. R. 3438, Mr. Johnson
H. R. 3464, Mr. Quigley
H. R. 3781, Mrs. Knutson
H. R. 4059, Mr. Deane

No witnesses appeared at the hearing in opposition to the bill. Because of time limitations, the Department of Agriculture was not asked to submit a formal report but a representative of the Department testified at the hearing in support of the bills.

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the rules of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

【SEC. 348. (a) Any person who knowingly harvests any basic agricultural commodity on his farm which has been determined by the Secretary to be in excess of the farm acreage allotment for such commodity for the farm for such year under this title shall not be eligible for any payment for such year under the Soil Conservation and Domestic Allotment Act, as amended.

【(b) Persons applying for any payment of money under the Soil Conservation and Domestic Allotment Act, as amended, shall file with the application a statement of facts showing eligibility under this section.】



Union Calendar No. 24

84TH CONGRESS
1ST SESSION

H. R. 1573

[Report No. 67]

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1955

Mr. HOPE introduced the following bill; which was referred to the Committee on Agriculture

FEBRUARY 22, 1955

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To repeal section 348 of the Agricultural Adjustment Act of 1938.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 348 of the Agricultural Adjustment Act of
4 1938, as amended, is hereby repealed, effective with respect
5 to 1955 and subsequent crops.

84TH CONGRESS
1ST SESSION

H. R. 1573

[Report No. 67]

A BILL

To repeal section 348 of the Agricultural
Adjustment Act of 1938.

By Mr. Hope

JANUARY 6, 1955

Referred to the Committee on Agriculture

FEBRUARY 22, 1955

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued March 2, 1955
For actions of March 1, 1955
84th-1st, No. 37

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HIGHLIGHTS: Senate committee ordered reported pay raise bill. Senate committee ordered reported tax bill after deleting personal income tax deduction. House Rules Committee cleared bill to repeal ACP tie-in with acreage allotments. House committee ordered reported CCC fungible goods claims bill. House committee ordered reported bill amending and extending salt water research program. Sen. Byrd urged USDA to reject strip mining permit in Cumberland National Forest.

HOUSE

1. SOIL CONSERVATION. The Rules Committee reported a resolution for consideration of H. R. 1573, to repeal Sec. 348 of the Agricultural Adjustment Act of 1938, which makes ACP payments contingent upon compliance with acreage allotments on basic crops (p. 1909).
2. FUNGIBLE GOODS. The Agriculture Committee ordered reported H. R. 1831, to amend the CCC Charter Act in order to protect innocent purchasers of fungible goods converted by warehousemen from CCC claims (pp. D148-9).
3. HOUSING LOANS. The Rules Committee reported a resolution for consideration of H. J. Res. 202, to increase by \$1.5 billion the mortgage insurance authority of the Federal Housing Administration (p. 1909).
4. SALT-WATER RESEARCH. The Interior and Insular Affairs Committee ordered reported H. R. 2126, to authorize additional funds for the Interior Department for research in the development and utilization of saline waters, to extend the period of this program, etc. (p. D149).
5. CREDIT UNIONS. Rep. Patman inserted several Texas Credit Union articles outlining the growth of credit unions during 1954 (pp. 1913-4).

6. REORGANIZATION. In its report on personnel (H. Doc. 89) the Hoover Commission makes recommendations as follows:

"Recommendation No. 1

"(a) Career administrators, as rapidly as possible, should be relieved by noncareer executives of responsibility for advocacy or defense of policies and programs and should be kept out of direct participation in political controversies. This recommendation is in no way intended to restrict Congress in obtaining information from any employee of the Government.

"(b) Additional competent noncareer executives should be worked into management organization at the departmental level to help carry the workload, assist the secretaries and assistant secretaries in improving their control over and grasp of departmental business, and take over the political tasks formerly handled by many career administrators. Political appointees should not be placed in the line of command below career administrators. Obviously, such appointments undermine the line of command and make the position of career administrator untenable."

"Recommendation No 2

"We recommend that the President designate the positions which should be in the noncareer category and that he use the following criteria to determine positions which should be in this category:

"(a) All positions filled by Presidential appointment, with or without confirmation by the Senate;²

"(b) All positions having vested in them statutory authority or Executive delegations of authority requiring the incumbents to make final decisions in the establishment of governing policies, programs, objectives and in the enunciation of principles which will control the action of subordinates in the implementation of the foregoing;

"(c) All positions, the duties of which require the incumbents to act publicly in advocating new policies and in justifying or defending the governing policies or the basic principles or philosophy which controls their department or agency policies. Such duties would include direct participation with, or representation of noncareer executives in public debate, evaluative discussions, and justifications of departmental policies, programs, or activities;

"(d) Most positions of a personal and confidential nature, such as personal aids, confidential secretaries, and personal chauffeurs. Noncareer executives may, of course, continue to employ career people in such positions.

"The Commission believes that the use of these recommended criteria together with the concept of concentrating political responsibility at the departmental level would do much to lessen the difficulties involved in this complex problem.

"The Commission also believes that some confusion in the personnel administration could be eliminated by a redefinition of the classes of the positions exempted from the competitive civil service which would clearly distinguish the positions exempted provisionally because of testing difficulties or manpower shortages from those exempted indefinitely because they are political or confidential in nature.

² Except certain positions, discussed later, which the Commission recommends be removed from either Senate confirmation or Presidential appointment or both.

CONSIDERATION OF H. R. 1573

MARCH 1, 1955.—Referred to the House Calendar and ordered to be printed

Mr. MADDEN, from the Committee on Rules, submitted the following

R E P O R T

[To accompany H. Res. 161]

The Committee on Rules, having had under consideration House Resolution 161, report the same to the House with the recommendation that the resolution do pass.



House Calendar No. 20

84TH CONGRESS
1ST SESSION

H. RES. 161

[Report No. 83]

IN THE HOUSE OF REPRESENTATIVES

MARCH 1, 1955

Mr. MADDEN, from the Committee on Rules, reported the following resolution; which was referred to the House Calendar and ordered to be printed

RESOLUTION

1 *Resolved*, That upon the adoption of this resolution it
2 shall be in order to move that the House resolve itself into
3 the Committee of the Whole House on the State of the
4 Union for the consideration of the bill (H. R. 1573) to
5 repeal section 348 of the Agricultural Adjustment Act of
6 1938. After general debate, which shall be confined to the bill,
7 and shall continue not to exceed one hour, to be equally divided
8 and controlled by the chairman and ranking minority mem-
9 ber of the Committee on Agriculture, the bill shall be read
10 for amendment under the five-minute rule. At the con-
11 clusion of the consideration of the bill for amendment, the
12 Committee shall rise and report the bill to the House with
13 such amendments as may have been adopted, and the

84TH CONGRESS
1ST SESSION

H. RES. 161

[Report No. 83]

RESOLUTION

Providing for the consideration of H. R. 1573,
a bill to repeal section 348 of the Agricul-
tural Adjustment Act of 1938.

By Mr. MADDEN

MARCH 1, 1935

Referred to the House Calendar and ordered to be
printed

1 previous question shall be considered as ordered on the bill
2 and amendments thereto to final passage without inter-
3 vening motion except one motion to recommit.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued March 3, 1955
For actions of March 2, 1955
84th-1st, No. 38

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		Wheat.....27,38

HOUSE

1. SOIL CONSERVATION. Passed without amendment H. R. 2573, to repeal Sec. 348 of the Agricultural Adjustment Act of 1938, which makes ACP payments contingent upon compliance with acreage allotments on basic crops (pp. 1967-9, 1974-9).
2. RICE. Both Houses received from this Department a report on the study of various two-price systems of price support and marketing which could be made applicable to rice, pursuant to section 315, Public Law 690, 83rd Congress; to H. Agriculture and S. Agriculture and Forestry Committees (pp. 1935-6, 1936).
3. HOUSING LOANS. Passed without amendment S. J. Res. 42, to increase by .15 billion the mortgage insurance authority of the Federal Housing Administration (pp. 1966, 1969-74). This bill will now be sent to the President.
4. FARM PROGRAM. Rep. Patman inserted excerpts from his weekly letters during January and February, including views on price supports and help for the family-size farm (pp. 1980-3).

5. WATER RESOURCES. The Subcommittee on Territories approved for reporting with amendments to the Interior and Insular Affairs Committee H. R. 3990, to authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska (p. D156).
6. SURPLUS PROPERTY. Received from the Federal Civil Defense Administration a proposed bill "to amend further the Federal Property and Administrative Services Act of 1949, as amended, to authorize the disposal of surplus property for civil defense purposes;" to Government Operations Committee (pp. 1986-7).
7. STATEHOOD. Received memorials from the Mass. Legislature urging statehood for Alaska and Hawaii (p. 1988).
8. FOREIGN TRADE; COTTON. The Legislative Reporting Staff has available for lending purposes copies of a committee print issued by the International Operations Subcommittee, House Government Operations Committee, "Report on Procurement of American Cotton by Spain."
9. TRANSPORTATION. H. Rept. 80 (see Digest No. 36), by the Merchant Marine and Fisheries Committee, makes the following recommendations in connection with administration of the Cargo Preference Act:
 - "1. Government agencies should discontinue the practice of permitting representatives of foreign governments to arrange for shipments of that cargo which is subject to the limitations of the Cargo Preference Act.
 - "2. The General Services Administration should immediately assume the responsibility placed upon it by law and centralize in one agency the function of transportation and traffic management. (See sec. 201 (a) of the Federal Property and Administrative Services Act of 1949.)
 - "3. Procedures should be established under which each of the executive agencies administering export or import programs shall exchange information and so plan their activities in the transportation field as to effect a more economical operation and a more effective administration of the Cargo Preference Act.
 - "4. The Maritime Administrator should undertake to publish rates for the guidance of the agency arranging cargo shipments in determining from time to time whether United States-flag ships are available at fair and reasonable rates for United States-flag commercial vessels.
 - "5. Liner services should be utilized to the extent practicable.
 - "6. Consideration should be given to the execution of consecutive charters and other similar arrangements designed to secure lower transportation rates for Government shipments.
 - "7. The Maritime Administration should exercise general surveillance over the administration and operation of the Cargo Preference Act and report to the Congress periodically with respect thereto.
 - "8. The Secretary of State should take all action necessary and appropriate to maintain the national policy of the United States as reflected in the Cargo Preference Act in our relations with foreign nations."

SENATE

10. COMMODITY EXCHANGES; FARM CREDIT; SURPLUS COMMODITIES. The Agriculture and Forestry Committee reported without amendment S. 1051, to authorize increased CMA registration and renewal of certificates fees (S. Rept. 39); S. 941, to

84TH CONGRESS
1ST SESSION

H. R. 1573

IN THE SENATE OF THE UNITED STATES

MARCH 4, 1955

Read twice and referred to the Committee on Agriculture and Forestry

AN ACT

To repeal section 348 of the Agricultural Adjustment Act of
1938.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 348 of the Agricultural Adjustment Act of
4 1938, as amended, is hereby repealed, effective with respect
5 to 1955 and subsequent crops.

Passed the House of Representatives March 2, 1955.

Attest:

RALPH R. ROBERTS,

Clerk.

84TH CONGRESS
1ST SESSION

H. R. 1573

AN ACT

To repeal section 348 of the Agricultural
Adjustment Act of 1938.

MARCH 4, 1935

Read twice and referred to the Committee on
Agriculture and Forestry

TO AMEND THE AGRICULTURAL ADJUSTMENT ACT OF 1938

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 161 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN], and I yield myself such time as I may require at this time.

Mr. Speaker, I rise to urge the adoption of House Resolution 161 which will make in order the consideration of the bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938.

House Resolution 161 provides for an open rule with 1 hour of general debate on the bill itself.

Mr. Speaker, it was brought out during the hearing before the Committee on Rules that the present section of 348 of the Agricultural Adjustment Act of 1938, as amended by section 311 of the Agricultural Adjustment Act of 1954 prohibits the making of agricultural conservation program payments to any farmer who knowingly harvests any basic commodity in excess of his acreage allotment.

The testimony before the Committee on Rules indicated that this provision has not worked well and has placed some undue hardships on some farmers who really were not meant to be affected by this provision.

One example that was given was that ordinarily conservation payments are made to the farmers as soon as they start carrying out the provisions of the conservation program. According to the strict interpretation of this section of the present bill, however, a farmer must wait until he can certify that he has not harvested a crop in excess of his allotment before he can receive his payments and in some areas crops are being harvested at the years' end. Thus it would mean that conservation payments would be carried over until the next year.

According to the report on H. R. 1573, section 348, of the AAA Act, as amended, which H. R. 1573 would repeal, is in direct conflict with the spirit of several provisions of the acreage allotment and marketing quota laws, and with at least 2 other provisions of the 1954 act itself.

The Committee on Agriculture in their report indicated that they feel that the

marketing quota penalties and the loss of price supports in the case of acreage allotments have been sufficient deterrents to overproduction of commodities which are granted price supports in return for a measure of production control by farmers.

The Committee on Agriculture indicated that they feel that conservation programs are designed for the long-range benefit of the Nation and that the conservation program should not be tied to the price-support program.

Mr. Speaker, the rule which the Committee on Rules has granted is an open one; amendments will be in order and I hope that the membership of the House will adopt the resolution which will allow for the consideration of H. R. 1573.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. WALTER].

[Mr. WALTER asked and was given permission to extend his remarks at this point in the RECORD.]

Mr. WALTER. Mr. Speaker, yesterday I was deeply shocked to see a press release which purported to issue jointly from the offices of several Senators and Members of this body.

I was, and still am, shocked because the statements made in the release were inaccurate.

I regret that those who permitted the use of their names on this erroneous release did not check the facts before making it public.

It is not true that the Immigration and Naturalization Act in any way tends to, and I quote, "maintain our own iron curtain, against visitors and alien immigrants alike, while criticizing the Iron Curtain abroad."

It is not true that, under present law, there are "daily examples of senseless cruelty against aliens already resident here, or recently arrived here." Such statements are untrue, made either ignorantly or deliberately, but they are untrue and demonstrably so.

During the year 1954, the total admission of aliens to the United States was over 770,000—immigrants, temporary workers, and visitors. This is no iron curtain.

According to the Solicitor General of the United States, Simon Soboloff, a week ago, there were 2, I repeat 2, persons under arrest in the custody of the Immigration and Naturalization Service. They were both stowaways.

The Immigration and Naturalization Act, characterized by its enemies as a "shameful" law, has not had the stifling effect they would imply.

An actual increase of immigration is reported in 1954, the second year the act was in operation. A total of 208,000 immigrant aliens were admitted, an increase of 22 percent over the preceding year. Nonimmigrant admissions reached an all-time high of 566,613 during the past year, according to the statistics of the Immigration and Naturalization Service.

The act attempts to deal in an orderly way with the admission of aliens, placing restrictions in the way of those whose admission would be contrary to the interests of the United States. It provides for the deportation of those who abuse our hospitality, or by sub-

versive or criminal act endanger our country and its citizens. The critics of the act lose sight of the fact that admission to the United States is a privilege and not a right, that national and not international interest must be our first concern in this field.

The intolerable barriers which are said to keep renowned scientists, scholars, and men of letters from coming to our shores as visitors, cannot be found in the language of this statute. Aliens whose entry would be prejudicial to the public interest or would endanger the welfare, safety, or security of the United States are barred, it is true, but if these renowned scientists, scholars, and men of letters fall within this subversive classification, their admission could not seriously be advocated by any persons having the interests of the United States at heart. Did we not hear from Professor Pontecorvo in the Soviet press just the other day how many atomic secrets he has betrayed to our mortal enemy? And was he not a visitor to the United States just a few months before he deserted to the enemy camp? I am rather proud of the fact that all those visits Dr. Pontecorvo paid to the secret United States laboratories were made before the enactment of the "iniquitous" McCarran-Walter Act and that he could not have paid such a visit since its enactment.

The national origins quota system, which is basically the target of the opposition to the act, has been in effect since 1929. It provides a mathematical formula for determining quota allocations, based on the 1920 census figures, with a view to the maintenance of homogeneity in this melting pot of nations. It was not designed to relieve population pressures in all the countries of the world. It is a businesslike formula which insures, at least, the minimum quota to every country or quota area. It is quite unlike the "commission-distribution" proposal advocated in some of the loosely prepared bills which would permit almost the entire quota to be allocated to asylum preference and national interest groups. Suffice it to say, these bills propose that the commissioners who would allocate these quotas would be political appointees.

As I have said before, I much prefer that visas be allocated under a formula devised by mathematicians rather than under one contrived by politicians.

The joint explanatory statement appearing in the RECORD of February 25, 1955, submitted by the sponsors of the alleged revision bill in the Senate refers to the flexibility of its proposed quota system. This proposal certainly has flexibility, if nothing else. In fact, it permits the politically appointed commissioners to exercise flexibility to the extent that, of the 250,000 quota numbers to be made available under the bill, only 250 numbers would be guaranteed to any one nation or quota area, leaving approximately 200,000 quota numbers to be dispensed by the commissioners at will, as political expediency may direct. True, the statement stipulates that not less than 25 percent of the quota shall be available for family preference, not less than 5 percent for occupational prefer-

ences, not less than 20 percent for surplus-population groups, and a minimum of 15 percent for refugees, but there is no restriction which would prevent the commissioners from allotting the total number of 200,000 visas to just one nation or quota area.

One item in the statement calls attention to the liberal provision in the new bill that a naturalized United States citizen may return with equanimity to the country of his birth or of his former nationality and may permanently reside there throughout the rest of his lifetime without loss of United States citizenship.

Coupled with the exemption in our income-tax laws benefiting citizens who remain abroad for a period in excess of 18 months, we might question the advisability of permitting permanent retention of United States citizenship for persons so residing. It certainly does not substantiate the charge that the present law is "discriminatory, oppressive, and ruthless."

But the whole issue turns upon the question of the quota. According to the joint release, the intention seems not to abolish quotas but to reallocate them so as to put the whole Western Hemisphere under a quota, and thus to destroy our good relations with our closest neighbors.

It is a truly devilish scheme to turn our Canadian and Latin-American friends away from us and to give aid and comfort to future Moscow agents like Arbenz, of Guatemala.

The timing is good. It is as good as the best Kremlin tradition. Latin America is now—after Asia—the No. 1 target of international communism.

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Indiana [Mr. MADDEN] has explained, House Resolution 161 makes in order consideration of the bill H. R. 1573 under an open rule, with 1 hour of general debate.

H. R. 1573 simply corrects an inequity that has been found in the Agricultural Adjustment Act as it was amended last year. The situation creates a controversy in agriculture, and this amendment is a corrective one only.

The measure was, of course, as expected, reported unanimously by the Committee on Agriculture. The rule was also reported unanimously by the House Committee on Rules.

Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. HOFFMAN].

(Mr. HOFFMAN of Michigan asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. HOFFMAN of Michigan. Mr. Speaker, certainly each of us cannot become a millionaire nor establish and maintain a mammoth industrial plant.

Nor can management, without the wholehearted cooperation of employees, create, build, and maintain an efficient, profitable industrial plant.

Nevertheless, the door of opportunity is still open here in America to those of us who are willing to wholeheartedly work toward a desired end. Each of us can, if health permits, at least do something more than worthwhile to establish his own independence and security.

As an outstanding example of what can be done, not only by the individual possessing exceptional ability and a driving ambition but by those of us who have just an average amount of intelligence in an industrial age, is illustrated by the story of Whirlpool, its workers, its president, and management.

From the February 1955 issue of *Inside Michigan* comes the story demonstrating the truth of the above statement. That story reads as follows:

WHIRLPOOL'S OTHER BALANCE SHEET—A BIG-SCALE EXPERIMENT IN COMMUNITY RELATIONS IS PAYING OFF FOR WHIRLPOOL CORPORATION AT ST. JOE

(By Edward C. Fielder)

Some few months ago Mr. Elisha Gray II, president of the Whirlpool Corp., makers of home laundry appliances, addressed the Rotary Club, of Los Angeles, on a somewhat unique topic. He was holding forth about the changed concept of industrial management in general, including the effect of "big government" and "big labor." He said that for the past 20 years these two had occupied the center of the industrial stage while the businessman had figuratively been pushed into the wings. This was a good, solid, informative speech and the members nodded appreciatively over their cigars. But Mr. Gray went on to say something that gained national attention:

"I beg of you—let us heed the lessons and the meaning of the past two decades. Let us acknowledge that in addition to the ordinary assets which we list on our balance sheet such as cash, accounts receivable, inventory, etc., we truly have other unlisted assets which contribute greatly to our business success. And just as today's corporate balance sheet fails to list these assets, so does it ignore the matching liabilities or responsibilities."

What other assets? Many of his listeners knew that Mr. Gray headed the Whirlpool Corp., with principal offices and plant at St. Joseph, Mich.; many knew that Whirlpool is the largest manufacturer of home washers in the industry, almost as large as its two leading competitors combined; a few know that Elisha Gray II was the bearer of a famous American industrial name, being the grandson of the inventor of the pay-station telephone and a founder of what is now Westinghouse Electric. That's about all the Rotarians knew about Mr. Gray or his company. But it was enough to qualify him to speak with authority.

He went on to set up virtually another set of books in his speech. He listed as assets: (a) "a well-balanced community," physically, socially, and educationally; (b) "our people—our greatest asset," the 3,500 men and women who work for Whirlpool in St. Joseph and Benton Harbor, and the total of 6,000 or more who work for the company in all its plants, and (c) the community spirit of all the people, employees, and others, toward the company.

Balanced against these assets were liabilities which he called responsibilities. First among these was consideration, if it could not be freely given, then the asset called "people" was worthless. Second was competent management, in which the people could retain confidence. If they didn't have confidence in the company management, and trust it to decide wisely on matters affecting company operations, said Gray, no amount of dollar profit on the books would have any lasting meaning. The company would disintegrate, in time. And the third responsibility was a sense of belonging to the community; integrating the company into it in a spirit of good citizenship and nothing else. That meant gifts, he said, for charitable and community causes, "because

there are few rich people nowadays to finance such things." And it meant an everlasting effort to see that the company's people were successful, personally, according to their definition of the term—happy, solvent, prosperous.

"Up to now," he concluded, "in evaluating the performance of a company, we have used only a financial accounting. I suggest that we encourage a public accounting by all businesses on the additional values of a company's citizenship—its success in the handling of the human factors which, in the last analysis, are its very bone and sinew."

In a spirit of curiosity, which might be called openminded skepticism, I conducted a small investigation at the Whirlpool plant, to see what was happening. I was shown through the various departments, often cutting loose from my guide to finger some newly fabricated parts or examine a big multistage press. I wanted to see how Whirlpool washers were built, and the kind of material and workmanship that went into them. I had a chance to talk to a few people. Later I was given cordial access to all the statistics on the business, its history, and figures on earnings, dividends, Federal income and excise taxes, and so on. It's exciting reading.

For example, Whirlpool's phenomenal volume—production and sales. The company is not a major advertiser; it has about 80 regional distributors and 12,000 retail outlets. The company makes and sells upward of 6,000 units a day. It has achieved, through elaborate and costly production tooling (including 20 miles of overhead conveyors) so efficient a utilization of manpower that it is challenging the automotive industry. Whirlpool's Benton Harbor-St. Joe plants are running about 1.75 completed units per man-day.

Whirlpool has a very good record of labor peace in St. Joe, although its contract is with one of the most volatile of all unions, the UE. It pays hourly wages in excess of the industrywide average in the electrical appliance industry and among other St. Joseph industries, and Whirlpool pays not far from \$100 a week across the board. To challenge the worker to the utmost, the production engineers give him more and more elaborate machines to operate. Thus the production cost per item remains the same, or drops slightly from year to year.

With fair wages, secure employment with minimum seasonal layoffs, and a delightful community to live in, Whirlpool employees tend to become quite happy with their lot and develop a genuine satisfaction for their jobs. The president, Mr. Gray, is an MIT-trained engineer who learned merchandising after graduation. He was an executive for Sears-Roebuck and learned personnel work with Sears at Chicago. Later he was vice president of the Cutler Shoe Company, manufacturers. As general manager, he built up that business even in the depression period, 1933-1938. He came to the predecessor of the Whirlpool Corp., then known as the Nineteen Hundred Corporation, in 1938 as assistant to the president. Later he became executive vice-president, and in 1949 was elected to the presidency upon the retirement of the co-founder and long-time president, Louis C. Upton.

The trade name "Whirlpool" was adopted by the corporation in 1950 to replace the cumbersome and confusing brand name "1900 Cataract." Gray's skill as a merchandiser has been largely instrumental in building a big sales volume rapidly, and keeping it climbing. He is a keen business analyst, well aware of the limitations on too-rapid growth, but able to exploit the present demand for automatic washers, dryers and ironers to its utmost.

With Gray as president and active head of the business, Whirlpool operation shows facets of genius. He uses truck trailers by the dozens as warehouse space for purchased parts, because of rapid consumption and savings in handling costs. Conveyors running around the high upper spaces of the plant, 30 feet in the air, serve as mobile parts supply reservoirs, with "cushion" supplies ready to flow down into the assembly lines in case of a breakdown somewhere.

The company's capitalization is low, and the sales high. Working capital turns over nine times a year. Until 1954 a reasonably good rate of earnings before taxes was virtually confiscated by the application of the so-called excess-profits tax to growing companies. With earnings before taxes of nearly \$12 million in 1953, net earnings after taxes were only \$4,203,036. But with the excess-profits tax no longer applicable, net earnings for 1954 are expected to be nearly double the 1953 figure.

Gray has repeatedly made it plain that in spite of skyrocketing production and sales volume since World War II the company's net income remains proportionately low. There isn't very much left to accumulate capital reserves for new construction, badly needed at the present time. Every dollar in the business has to do the work of 2 or 3. To help stretch available dollars, the company's story is told to machinists, press operators, office clerks, everybody who will listen. They are told in effect "You've got a stake in this company too. We've all got a big job to do. It gets tougher every year. So you should know what management is doing, and what our problems are. Maybe you can help us with suggestions."

Throughout the various Michigan plants of the company there is a noticeable response to this spirit. You can see it in St. Joe, in the washer plant. You can hear it when a worker voluntarily points out to a plant visitor why the one-piece single-weld cabinet is better and stronger than the competitors'; why the three-point rubber suspension is better and longer lasting than any other washer's. You can feel it in the surprising thickness of the sheet-steel fabricated parts and the sturdy iron castings. "Look," says the worker. "Feel that casting. Weigh it in your hand. They don't scrimp on stuff like that. It's the best. Costs more, but with this volume it's possible to put the value into the machine, and take a smaller unit profit."

The Kenmore line, sold by 692 retail Sears-Roebuck stores as well as 550 catalog offices and the general catalog, is made here in this plant and is a part of the spectacular production volume. Whirlpool and its predecessor company have supplied all of Sears' electric washers since 1916. At that time the late Louis C. Upton negotiated a contract with Sears for 25 machines; sort of an experimental contract to see if Sears had a market for what was then a dubious item. Not many housewives believed in it. In 1922 the company delivered only \$25,000 worth of machines to Sears. But 3 years later, in 1925, Sears sold \$125,000 worth. Except for that first experimental 1916 contract for 25 machines, Sears has purchased hundreds of millions of dollars' worth of home-laundry items from Whirlpool in the last 39 years—without a contract of any kind.

Sears-Roebuck does not single out Kenmore washers and dryers for any special advertising. Housewives buy both Whirlpool and Kenmore machines mainly because they hear about them from other wives who own them; word-of-mouth advertising. If ever an electrical appliance was sold strictly on its competitive merits, without ballyhoo, the Whirlpool products are. And because of its vast public acceptance, they are now the leading brand names in the whole field. The added fact that no exclusive contract exists between Sears and Whirlpool shows that

Sears thoroughly believes that Kenmore machines are the best that can be built. Since World War II it has been selling both brands, as fast as Whirlpool can build them, and usually the market howling for more.

In the eyes of Elisha Gray, whom his associates call Bud, there are two major human advantages in this position of leadership. First comes his human balance sheet, wherein he conscientiously asks himself and his management team whether he is doing his utmost to preserve his invaluable pool of trained, able workers. "Our greatest asset," he calls them. "Pride in being part of a company, loyalty to a company, devotion to the job—these things can be earned, depending upon what management does." He says that responsibility cannot be delegated to the public-relations department or to some vice president in charge of good citizenship. It is something that all management has to live with—"they have to feel it in their bones." And the determination to merit the respect and trust of these highly skilled employees is a continuing, day-by-day effort.

The highest wage in the industry and steady employment are only two of the means used at Whirlpool to gain this objective. There is a long list of regular and special benefits for employees, including a good retirement program, a year-end bonus, vacation pay, veterans' benefits, medical services, recreational facilities, various shared insurance coverages, and even a big Christmas turkey to every employee with the company's compliments.

"These are some of the direct and indirect benefits that we enjoy from the existence and healthy growth of Whirlpool Corp., and the effect that these benefits have in gaining and holding mutual respect and support. If these things are not good, then it is only a matter of time," says the company's statement to employees, "before our tangible assets, such as machinery, buildings, supplies, and the like, will be so much junk."

Working conditions are constantly improved, but Gray says there is still a long way to go. Parking facilities are being expanded periodically, ventilation improved, better lighting installed, and large sums spent to ease the workload in certain operations.

Secondly, Gray feels that the Whirlpool Corp. should work unceasingly to maintain its present excellent relations with the community of St. Joe-Benton Harbor. "If charity begins at home," he says, "we feel at home * * * in the last 10 years we've contributed \$596,836 to local charities," to about 150 separate causes per year. In addition, the company pays nearly a third of all the local taxes collected. The Whirlpool comment on this is typical: "It's money well spent. It has helped develop the community's schools, streets, and system of fire and police protection." There was no gasp of pain at the size of the local tax bill, which is now about a quarter of a million dollars per year.

Whirlpool buys locally in every possible case, last year spending over \$14 million in local purchases from 125 firms. All kinds of supplies and services that can be produced in St. Joe-Benton Harbor are contracted for. The Whirlpool payroll in the community for 1954 came to approximately \$20 million, which upon analysis turned out to be about a third of the community's industrial income. That \$34 million in cash means a greatly expanded community economy, felt in every line—better schools, more doctors and dentists, bigger and better supermarkets, and general community prosperity.

This is a story of paramount importance to Michigan. This is the tale of a single organization, started in St. Joseph in 1911 with a borrowed \$5,000, which grew gradually and not at all rapidly for most of its 44 years, from an original 6 employees to more than

3,500. It is the chronicle of a long struggle and repeated failure in its early years, when the company tried its hand at everything from air rifles to Boy Scout mess kits. Its first electric washer prototype was a failure because it used cast-iron gears, which quickly stripped their teeth. The lesson of quality was learned right then. Cut-steel gears, much more expensive, restored the machine's dependability.

It is of importance to Michigan because in this world center of high-speed mass production this company proves that its people and its community are indeed its greatest assets—by treating them with the consideration their importance demands. Employees, as well, find in the Whirlpool story an ever-present example of what enlightened labor relations can be and should be—cooperation with a management program toward the common goal of building a better product at less cost as the only way to earn higher wages, security of employment, and greater opportunities for advancement.

"Anyway," says a company spokesman, "we think that the money spent on these projects by Whirlpool is a sound investment in ourselves, our future employees and in our neighbors."

Call it paternalism if you like. The company doesn't have to do many of these things. President Bud Gray calls it "square-dealing," and that's something the Whirlpool people understand. The point is—it pays off.

Because of the "human balance sheet," the financial balance sheet is the biggest of its kind in the world. Michigan can well be proud of such an achievement.

Mr. MADDEN. Mr. Speaker, I move the previous question on the resolution. The previous question was ordered. The resolution was agreed to.

RETIREMENT EXPERT

Mr. McCORMACK. Mr. Speaker, I offer a privileged resolution (H. Res. 163) and ask for its immediate consideration. The Clerk read as follows:

Resolved, That effective March 1, 1955, there shall be paid out of the contingent fund of the House, until otherwise provided by law, compensation at the basic rate of \$4,100 per annum for the employment of a retirement expert in the House Disbursing Office who shall be designated by the Clerk of the House subject to the approval of the Speaker.

The resolution was agreed to; and a motion to reconsider was laid on the table.

INCREASED FHA MORTGAGE INSURANCE AUTHORIZATION

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H. J. Res. 202) to amend the National Housing Act, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of House Joint Resolution 202, with Mr. HAYS of Arkansas in the chair.

The Clerk read the title of the resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Kentucky [Mr. SPENCE] will be recognized for 30 minutes, and

the gentleman from Michigan [Mr. Wolcott] for 30 minutes.

The gentleman from Kentucky is recognized.

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a resolution that increases the authority for insurance by the FHA by the sum of \$1,500,000,000.

This is not an appropriation; it is an authorization to this agency of the Government to insure home mortgages.

This organization has been in operation since 1934. It was organized in depression times when we needed to stimulate home building, and it has been an instrument used for that purpose ever since.

The unused balance of authorized insurance on the 1st of January this year I believe was about \$390 million. This sum will be exhausted very shortly, and the \$1,500,000,000 is to carry on the activities of this agency until June 30 of this year. But before that time the whole housing program will have to be gone into and there will have to be an extension, before June 30. Of course, up to this point the FHA has sustained no losses. They charge one-half of 1 percent for insurance and they have a reserve now, I believe, of about \$400 million.

If in times of depression an undue burden might be placed upon the Government to meet the defaults, it could be taken care of without great strain upon our economy. When a mortgage is in default it will be paid by debentures which do not mature for 20 years. This would tide over a possible cycle and would probably save the Government from any serious loss. I think a man does not have to be an optimist to think there might not be some losses from these great activities. The outstanding insurance, I believe, is limited to \$20,800,000,000 with reserve funds growing all the time.

As an evidence of my optimism in this respect I cite to you the Home Owners Loan Corporation. You will remember that the Home Owners Loan Corporation was organized when we were in the depths of a depression, when mortgages were being foreclosed all over the land and people were being dispossessed of their homes. That device was set up in order that the Government might take over these mortgages, might reduce the interest rates and might give the mortgagors further time to pay. That was done and millions of homes of American citizens were saved by that method. It never cost the Government a cent because in the final liquidation of the affairs of the Home Owners Loan Corporation the Government sustained a profit.

I think we can make the same argument in favor of this agency. At the time it was stated that these methods were visionary. They were not visionary, they were the result of vision. As the prophet of old said, "Where there is no vision people perish."

I think you can vote with absolute assurance for this increased authorization in reference to insurance to continue to accomplish the purpose which it

has accomplished throughout the years. I believe firmly that if you would take away this support from the mortgage market and the building industry there would be a great decrease in building during coming years. I do not believe we have reached the saturation point in good homes in America. We can stand a great deal more building of decent homes for our people, which is not only an investment in the health and comfort of our people but it is an investment in the assurance of good citizenship and stable government.

I hope that this joint resolution will be passed and I ask for its support.

Mr. WOLCOTT. Mr. Chairman, I think it is self-evident by this time that the Congress did a very splendid job last year in the enactment of the Housing Act of 1954. The only criticism that is heard is that we might have done a better job than we intended to do because there are some people who are thinking now in terms of saturation of the home-building market and wondering if we perhaps are not producing more homes than the economy will absorb. It might be well for us to have in mind that we have not reached that point yet.

The projection made by the economists and our own economic committee in the Congress presents a very interesting, if not amazing, condition. We project the economy for 10 years in the future, and we find that we may expect a national economy dollar-wise valued at about \$535 billion in 10 years' time as opposed to the present national product of about \$365 billion.

That is predicated upon the expectation that within the next 10 years we will have a population here in the United States of about 191 million people. So, carrying the projection one step further, if it was considered probable that the national economy could absorb 1 million new homes, new units, a year for the next 10 years as of last year, with these new facts before us, we may raise our sights somewhat and can be reasonably assured that we need for replacement of old homes and the construction of new units at least 1.2 million units for the next 10 years.

The Housing Act of 1954 made such a program possible, and in practice during the last few months we are assured now, with the aids which we have given the act, the aids which we are giving it under this bill, that we can safely produce 1.2 million homes not only this next year, but if we continue these practices, for the next 10 years. We do not need to be in any danger; we do not need to sense any danger that we will reach the saturation point in the production of safe, sanitary, very desirable homes under the program for the next 10 years. For that reason, this bill should be enacted, because without its enactment there will be a probability that the authorization for home owners' financing through the Federal Housing Administration will be inadequate to cover this next year.

Now, we have coming up further amendments to the Housing Act of 1954 which we must pass upon before June 30 of this year. At that time we will

take a long-range look at the housing situation and determine what we might expect should be the maximum of authority.

I want to stress that this is only an authorization for mortgage financing and involves no appropriation. The Federal Housing Administration is on a sound basis, as the chairman has indicated. Perhaps not adequate reserves have been built up against all losses, but reserves are being constantly built up against losses, which indicates, of course, that the FHA is not only on a sound basis but it is making a profit. The profit that goes into reserve against losses, I believe, is about \$400 million, which is a sizable sum. Although the total authorization for home-mortgage assistance is a large amount, in the billions of dollars, in order to get the true picture of the possible contingent liability on the part of the Federal Government, we must deduct from this total authorization all of the assets included in all of the mortgaged properties covered into the FHA insurance program, all of the homes which have been financed through FHA. In addition to that, we may take into consideration, of course, this increase in reserves. So the probabilities of any losses under the FHA-insured program are infinitesimal.

At this juncture, I should like to pay what I intend to be a very high compliment to the Administrator of the Housing and Home Finance Agency, a former colleague of ours, Albert Cole. The FHA is one of the constituent parts of the organization which he heads. This organization, the Housing and Home Finance Agency, during his tenure of office, has functioned efficiently with no losses and with a high regard for the true American idea that private enterprise can and should be able to do the job which the Government, in some quarters, is expected to do. I want to commend to this House for its consideration the very splendid work which has been done by Mr. Cole and his staff. Wherever there have been deficiencies Mr. Cole has stepped in quickly to correct them, and all of them are in the process of being corrected.

Mr. Chairman, this bill makes possible the uninterrupted continuance of this very delightful program under which the American people can be assured of decent, safe, adequate, and sanitary homes; and it should be adopted unanimously.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. Brown].

(Mr. BROWN of Georgia asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Georgia. Mr. Chairman, House Joint Resolution 202, the pending measure would increase the insurance authorization available to FHA by \$1.5 billion. This increase together with an estimated \$393 million available at the end of January would provide an aggregate authorization of \$1,893,000,000 or about \$630 million over estimated requirements to June 30 of this year. Such excess would provide a reserve margin in insurance authorization

law. I saw great promise for the future in the research provision. Here, thought I, was something constructive—a laboratory study with constant and persistent experimentations in new forms of dwellings, in types of structure, in materials, in financing—until from it all had come a feasible and practical blueprint for decent housing within the financial reach of all our people. Nothing came of it. The great promise held forth by the research provision in the housing bill of 1950 rests amid the junk.

The housing bill of 1954 admittedly was a measure to stave off the recession or at least to prevent the recession from growing into a depression. No one pretended that it would relieve in any measure the housing shortage among the large segment of our population with limited means. But it would build homes, into which people could move with small downpayments and mortgage commitments running many years. It would do that because the Government, not the builders or the mortgage houses, was guaranteeing against the future.

I voted for amendments that I thought would broaden the range of benefits to include some at least in the low or modest income brackets. The amendments defeated, I voted for the bill.

DEFEAT OF MULTER AMENDMENT

I shall vote for House Joint Resolution 202 despite the defeat in committee of the Multer amendment reducing the amount of the increased authorization. At present time, we do have FHA, and under its guaranty homes are being built when without FHA there would be no home construction, a great industry would collapse, unemployment would grow and our economy certainly would suffer; better houses beyond reach of many families than no new houses at all.

The amendment that was offered by the distinguished gentleman from New York to reduce the increase in FHA mortgage insurance authorization I thought had great merit. The purpose of the amendment, I thought, should have appeal to my colleagues on the ground of prudence. It was not intended, nor would it retard the present building activity, which happily is approaching an all-time high. We must be realistic. A collapse in the construction boom well might be the forerunner of a depression. We cannot permit that to descend upon us. And without FHA there would be no construction, or very little, and the collapse would be inevitable. Therefore, the enactment of House Joint Resolution 202 becomes imperative.

ENCOURAGEMENT TO PROCRASTINATION

But I thought it is equally imperative, if we are to begin to get our housing program on a sounder basis, profiting from our experiences, that the increased authorization should not exceed the requirements of the present and the foreseeable future. Otherwise we encourage practices which we could not condone and which ultimately might bring the entire housing program into popular disfavor. Furthermore, an authorization beyond the requirements of present

plans would be an incentive to procrastination in the enactment of a housing act of 1955 in which imperfections in the present act could be corrected and which could have the benefit of our past experiences in the field.

Briefly, here are the facts and the figures: As of January 31, 1955, there was an estimated \$393 million in unused authorization. House Joint Resolution 202 increases the authorization by one and a half billion dollars, which added to the \$393 million would make the total available to FHA \$1,893,000,000. As the average monthly use of the authorization is \$260 million, this would carry FHA to the end of August or into September. This is longer than is necessary since the responsibility is no longer that of the 83d Congress but now belongs to the 84th Congress.

Without delay work should be started and assiduously pursued in the housing bill of 1955 to the end that in the early summer it should have gone from the consideration of the Congress to the action of the President. Certainly if we are to adjourn by August, as seems to be the expectation, the Housing Act of 1955 should be on the statute books in early summer. If we hold back our action on legislation in the housing field to the last frantic, frenzied, and confused days and weeks of the session we are sure to come up with a dud.

By reducing the increase in FHA authorization by \$250 million we would supply all the authority needed to carry the present wave of construction, even accelerated much beyond expectation, up to and into August. The adoption of the amendment would have served the double purpose of keeping FHA adequately and abundantly equipped to carry on its work and of encouraging the early enactment of a better housing act in 1955. I say a better act because it is not too unreasonable to expect that always we progress, in legislation as in other matters, through trials and failures.

I shall vote for House Joint Resolution 202 even though I think the adoption of the Multer amendment would have strengthened FHA and its purpose.

HOUSING SHORTAGE CONTINUES

The housing shortage, especially as it slaps with tragedy our urban families of modest means, remains with us, unaffected by the \$32 billion of Federal credit responsible for the greatest home-construction activity in our history. In my own district and in Chicago generally the tragedy has become more grim since the end of rent control. Despite the efforts of the responsible real-estate interests to keep rent increases within reason, the letters that pour into my office show how cruelly the housing shortage in the area of residence by families of modest incomes is being taken advantage of by speculators who purchase properties at inflated prices, raise the rent, and try to pay off the purchase price within a few years.

Mr. Chairman, I hope the 84th Congress will approach the housing problem in a new manner. I came here with a dream that we might make possible de-

cent housing within the reach of all people. This is the third Congress of which I have been a Member. I still hold to the dream; I think sometime, and while I am here, it will be realized.

I cheerfully give credit to FHA, but when I contemplate the billions of dollars of credit of the United States we have extended to build homes it makes me sad to realize that not one home has been built within the reach of 50 or 60 percent of our population.

These are the facts that stand out: First, since World War II we have built more new homes than in any comparable period in our history; second, this has been made possible not by private industry working with investment capital, but by the furnishing by the Federal Government of full guaranty against loss; third, the security to builders, who immediately receive cash payments from mortgage proceeds, and to the mortgage houses, who are guaranteed by the Government against loss, has confined the operations of private industry almost exclusively to the furnishing of homes to those in the upper- and middle-income groups; and, fourth, with the exception of some public housing in earlier years, now practically at a standstill, nothing has been done to meet the housing needs of those in the low-income brackets.

As regards urban families in the low- and middle-income groups the situation has been getting worse rather than better. I am not blaming private industry. It is natural that when there is available a market with certain profits and no risks private industry will not explore the possibilities of other markets. When the more attractive markets have been worked out, American private industry will, as it has always done, find a way of profitably meeting the need that does exist.

CHALLENGE TO PRIVATE INDUSTRY

The need now is for homes within the financial reach by purchase or by rent by the 50 or 60 percent of our urban populations that have received little or no benefit from the FHA program, however advantageously that program has worked in other income areas. I have too much confidence in American business to believe that it cannot develop this housing field where there is the greatest unfilled demand. The blueprint for a future America, supplied by the active participation of private industry with decent housing for all American families, should be suggested in the Housing Act of 1955.

There cannot be a safe America until we have reached our goal of decent housing for every family within our fold. Safety from disease, safety from crime, safety from social disorders are only a few of the safeties we assure for ourselves with good housing.

SITUATION IN CHICAGO

Let me speak briefly on the situation in Chicago. That is the territory with which I am most familiar. Practically all of the FHA-mortgage-guaranteed construction is in the suburban areas. Homes are priced in some instances possibly as low as \$12,000, most run \$15,000

and up. Downpayments are small, mortgage terms are long.

Families who have resided in the city are forced to go into the suburbs because of the shortage of suitable homes in the old neighborhoods. With the sudden growth of suburban communities has come an excessive demand on school, water, and other facilities. There also has been created a traffic problem. In many instances the suburban residents use their own automobiles for transportation to and from their places of business and of employment in Chicago. The resultant congestion in traffic in the rush hours adds to a situation already difficult to handle.

Meanwhile with the exodus to the suburbs the residential districts of the city itself are becoming more and more delapidated. Even in some of the districts where rehabilitation plans have been approved by official action and by popular sentiment the properties to be demolished are to be replaced with residences in the \$25,000 and up class. Where will the families in low and middle income areas go?

PUBLIC HOUSING FOR AGED

What is needed if our cities are to be saved and utilized for the greatest use by all the people who work in those cities is a new approach. I will not take the time to pursue this thought other than as it applies to a bill for public housing for our senior citizens. Eleven other members of the Banking and Currency Committee have joined me in the introduction of this measure.

Under the FHA program it is impossible for a senior citizen to qualify for a mortgage. Security required is the productivity of the mortgagee not only at the time of entering into the mortgage but during the entire period of the mortgage commitment. Value of the real estate security is of secondary consideration.

My distinguished colleague from Ohio [Mr. ASHLEY], who is a cosponsor of the bill for housing for our senior citizens brought out at a recent hearing of our committee that the present average of FHA mortgagees is 32 years whereas only a few years ago it was 37 years. This would indicate that it is getting more and more difficult for a man even in the prime of life to get FHA insurance. For the man or woman passed the prime the door is shut, nailed up and padlocked.

Here then is a segment of our population deserving of our best effort that is entirely overlooked in our housing program. If we should increase the FHA authorization under the present setup a hundredfold our senior citizens still would be shivering in the cold.

CONTENTMENT HAS BEEN EARNED

Policemen in Chicago are forced to retire at 62, schoolteachers at 65, industrial workers generally at 65. Usually they retire on modest pensions or allowances. They have before them many rich years of contentment if given the opportunity.

Housing in congenial neighborhoods and associations is requisite to the enjoyment of that contentment earned by their long and honorable service in the

working periods of their lives. They have earned something more than being given shelter in the homes of their children, welcome and beloved, it is true, but nevertheless guests in the homes and strangers in the activities of younger generations, that of their children and that of their grandchildren.

The bill which has been introduced by 12 members of the Banking and Currency Committee would provide for public housing especially constructed for the aged, located in the neighborhoods where their children reside and dear to them because of old associations. The public housing for our senior citizens would have none of the stigma of charity since the cost of maintenance would be borne entirely by the rental payments of the tenants. Such rents, however, would be geared to the limited means provided by modest retirement pensions. I trust that the bill cosponsored by 12 members of the Banking and Currency Committee will receive the thoughtful and sympathetic attention of Members on both sides of the aisle.

NEW APPROACH REQUIRED

Mr. Chairman, I have attempted only to sketch the outlines of the new approach I think we should take to the housing problem of the Nation. We have put some \$32 billion of the Nation's credit behind FHA, and we are happy with the results that have been accomplished in the higher income area. The benefits of the program have extended into the modest income areas as well, and for that we rejoice.

Let us now explore the possibilities of bringing housing into the income areas that have been overlooked. A decent roof over the head of every American family must remain our objective until that end is reached.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the joint resolution for amendment.

The Clerk read as follows:

Resolved, etc., That section 217 of the National Housing Act, as amended, is hereby amended by striking "\$1,500,000,000, except that with the approval of the President such aggregate amount may be increased by not to exceed \$500,000,000" and inserting "\$3,500,000,000."

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. COOPER], having resumed the chair, Mr. HAYS of Arkansas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the joint resolution (H. J. Res. 202) to amend the National Housing Act, as amended, pursuant to House Resolution 160, he reported the joint resolution back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the House joint resolution.

The House joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the House joint resolution.

The House joint resolution was passed; and a motion to reconsider was laid on the table.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 42.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE]?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved, etc., That section 217 of the National Housing Act, as amended, is hereby amended by striking out "\$1,500,000,000, except that with the approval of the President such aggregate amount may be increased by not to exceed \$500,000,000" and inserting in lieu thereof "\$3,500,000,000."

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H. J. Res. 202) was laid on the table.

A motion to reconsider was laid on the table.

CORRECTION OF RECORD

Mr. BONNER. Mr. Speaker, on Roll-call No. 11, page 1528, of the CONGRESSIONAL RECORD of February 18, on the motion offered by the gentleman from New York [Mr. REED] to recommit the bill H. R. 1, I voted against such motion, but I am not recorded. The RECORD shows that Mr. BOLTON voted against recommitment of the bill and he is also shown as not voting. Evidently there is some mistake in recording the two names.

I ask unanimous consent that the permanent RECORD be corrected to show that I voted against recommitment of the bill H. R. 1.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

SPECIAL ORDER GRANTED

Mr. HARRIS asked and was given permission to address the House for 10 minutes today, following the legislative program and any special orders heretofore entered.

TO AMEND THE AGRICULTURAL ADJUSTMENT ACT OF 1938

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the con-

sideration of the bill H. R. 1573, with Mr. MADDEN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. COOLEY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the purpose of this bill is to repeal section 348 of the Agricultural Adjustment Act of 1938, as amended. The section reads as follows:

SEC. 348. (a) Any person who knowingly harvests any basic agricultural commodity on his farm which has been determined by the Secretary to be in excess of the farm acreage allotment for such commodity for the farm for such year under this title shall not be eligible for any payment for such year under the Soil Conservation and Domestic Allotment Act, as amended.

Section (b) reads as follows:

(b) Persons applying for any payment of money under the Soil Conservation and Domestic Allotment Act, as amended, shall file with the application a statement of facts showing eligibility under this section.

Section 348 was written into the law during the last session of the Congress. It was sponsored by the senior Senator from Florida. The bill now before you was introduced by the gentleman from Kansas [Mr. HOPE] on January 6, and the purpose of H. R. 1573 is to repeal section 348 of the Agricultural Adjustment Act of 1938, as amended.

To the end that you might know the views of the Secretary of Agriculture and the officials of the Department of Agriculture, I need only read only one line from the hearings. Mr. McConnell, Administrator, Commodity Stabilization Service, United States Department of Agriculture, had this to say:

All I can say is that the Department favors the repeal of section 348.

I would like to say that it was never intended or contemplated, even remotely, that the agricultural-conservation program should be tied in with the acreage-allotment and marketing-quota law. The effect of this amendment, which is now section 348, was to deprive a farmer of his ACP payments if he knowingly exceeded his acreage allotments on any one of the crops then under control. I do not believe anyone would suggest that there was any element of control contemplated in the original ACP program. It was a program to induce the farmers to build up their soil resources and to enrich the fertility of the soil and to engage in good farming practices. I believe that every dollar that has been invested in the ACP program is a good investment in the future security of our Nation.

Actually, in my section of the country, through the ACP program, we have just about revolutionized agriculture. We have changed the whole landscape and the countryside, and we have enriched the Nation, I believe, far beyond the investment that we have made in this program.

I know that in some high places in farm circles there are people who would like to destroy the ACP program. There are others in other high places who would like to destroy the entire farm program which has served so well the needs of our people both in times of

peace and in times of war. There are those who are going on the platforms of this country in an effort to bring the farm program into disrepute, and they talk about the tremendous and gigantic costs to the Federal taxpayers of the farm program which is now and for the past two decades has been in operation. The truth is the program has been successful.

I do not think any intelligent person, familiar with the operations of the program, can truthfully say that the program has been financially burdensome. If we are to continue the program we want it to be as free from controls as practicable.

We have heard a lot of these orators screaming their heads off about controls and regimentation and we are told that we have been making the farmers of America goosestep to tunes that are played here in Washington. Those who talk loudest about freedom for the farm are now actually advocating economic shackles for the farmers of America.

I want to call attention to the fact that the Secretary of Agriculture, after very careful thought and consideration, decided to issue an order which would force the farmers into a program of multiple compliance or cross compliance, meaning that a farmer would have to comply with every program for every commodity or he would lose all of the benefits of all of the programs for every commodity. But after issuing that administrative order, even Secretary Benson himself concluded that the order was not feasible and should be repealed and, by proper order he did repeal the order requiring multiple compliance.

This section 348 is absolutely incompatible with the ACP program. It is no part of the marketing quota and acreage allotment program and yet in the last hours of the last session, when it appeared that we would not have a farm bill at all, the House conferees were forced into the position of having to embrace this section 348, when there was not a man on our committee in favor of it.

This bill has as its author the former distinguished chairman of our committee, Congressman HOPE, of Kansas, who is recognized by this Congress and by this country as one of the brilliant farm leaders of America. I daresay that he knows more about agriculture at home and abroad than perhaps any other Member in either House of the Congress. I know that there is no greater champion of the farmer than CLIFFORD HOPE.

I need call attention only to one other thing and that is that this resolution that is now before the committee was unanimously reported by the House Committee on Agriculture. It is recommended by the Department of Agriculture. I hope it will be adopted without opposition.

Mr. HOPE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I should like to take a little time to go into the history of the legislation which would be repealed by the bill before us at this time. In the Agricultural Adjustment Act of 1938 there was a provision which said in effect

that a cotton producer would not be eligible to receive agricultural conservation payments unless he stayed within his cotton-acreage allotment. That provision, as I say, was included in the Agricultural Act of 1938 and remained in that form in the agriculture legislation until the last session, when the Agricultural Act of 1954 was enacted. When that legislation was before another legislative body which I am not permitted to mention by name, an amendment was adopted on the floor which applied that provision to all basic commodities. Examination of the RECORD discloses that this matter was not debated or discussed on the floor in the other body, except that the author made a very, very brief explanation.

In the committee on conference on that bill all of the House conferees opposed the provision but they were unable to eliminate it from the legislation and it remained a part of the Agricultural Act of 1954.

The effect of that legislation if we retain it will be to prevent any farmer from participating in the agricultural conservation program if he is in any respect whatever out of compliance with acreage allotments under the farm program. Since all of the six basic commodities are now under acreage allotments, it means that all producers of the basic agricultural commodities will not be able to participate in the agricultural conservation program if they are out of compliance even if it is by one-tenth of an acre or less.

This matter has been considered by the Department of Agriculture and, as the distinguished chairman of our committee has stated, the Department was represented by Mr. McConnell, the Assistant Secretary, at the hearing which was held on this legislation. He endorsed the legislation and gave the Department's reasons for opposing it.

I would like at this time to read a part of the statement of Mr. McConnell which he made at the hearings on this measure before the Committee on Agriculture. I quote now from the hearings:

If there is anybody in the United States who is concerned with surpluses, it is certainly the Department and the portion of the Department with which I am concerned. It is my considered judgment, after studying this matter, that all the power that can be brought to bear on the objective of holding down overproduction is in the acreage allotments, backed up by marketing quotas, and anything else you do, like this measure, does not add to that. In other words, you do a lot of work, go to a lot of expense, create a lot of hardships which have no relation to the overproduction. That is my one point. We feel that it will not change that pattern materially.

This provision we are attempting to repeal today will particularly affect corn and wheat producers. It will not have any material effect on cotton and peanut and tobacco producers because those commodities are under marketing quotas whenever acreage allotments are in effect, and that almost automatically, prevents any farmers from being out of compliance. But it will have a very great effect upon the producers of wheat and corn if they are not in compliance.

There is a particular situation affecting wheat that I wish to mention, and that is that under the Agricultural Adjustment Act all producers may produce and sell without penalty up to 15 acres of wheat. That does not mean that they are in compliance if their acreage allotments are less than 15 acres. If their allotments are less than 15 acres and they plant 15 acres, then they are out of compliance, and under the legislation we are trying to repeal today those farmers would be out of the ACP program.

There are more of those situations, perhaps, than most people imagine. In the States east of the Missouri River, and in some other areas also, there are a great many farmers who are not in compliance with wheat acreage allotments but who have been led to believe that they were in compliance with the program, if they planted 15 acres or less. Acting in good faith, they planted 15 acres or less, and then found that they are not in compliance and cannot participate in the ACP program. Most of them feel that they have been misled and that their Government is acting in bad faith with them. That is one situation which very substantially enters into this picture. Of course, in the case of corn where we do not have marketing quotas, there will undoubtedly be farmers who will not comply with acreage allotments and they will be thrown out of the agricultural conservation program.

My thought has always been that the agricultural conservation program was a program which should stand on its own feet. It should not be used to compel compliance with the programs for price support. Likewise, I think the price support program is one which should stand on its own feet. We have methods of forcing compliance with the price support program, and as Mr. McCONNELL said in his statement before the committee, we do not need this additional method. We have been able to get along without it for almost 20 years and I see no reason for going into it now.

Mr. LOVRE. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. LOVRE. I simply want to commend the gentleman for sponsoring this legislation. With reference to corn farmers, I do want to call the attention of the House to the fact that last year, in 1954, in South Dakota, 40 percent of our farmers complied with corn allotments. That means that is the same law is in effect in 1955, and we have no greater compliance than we had last year, 60 percent of our farmers would be denied the benefits of the soil conservation program.

Mr. HOPE. I thank the gentleman from South Dakota who is the author of a similar bill, and who has been very active in his support of this legislation.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. COOLEY. I would like the RECORD to show also that Messrs. BERRY, CHRISTOPHER, POLK, WILSON, JONES, LAIRD, and ALBERT are authors of similar

ills, and that Messrs. AVERY, MOULDER, ABBITT, GEORGE, JOHNSON, QUIGLEY, DEANE, and Mrs. KNUTSON also introduced bills having the same purpose in mind as the bill reported by our committee.

Mr. HOPE. Yes, I thank the gentleman. What he says indicates, the great interest in this matter. I cannot recall any time in recent years where so many bills on one subject were introduced and referred to the Committee on Agriculture.

Mr. HAYWORTH. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. HAYWORTH. Can the gentleman tell us the official position of the farm organizations on this legislation, especially the Farm Bureau?

Mr. HOPE. No farm organizations appeared at the hearing on this bill. I have no direct information myself as to the position of any of the farm organizations. I have been told since coming on the floor today that some Members have received wires from the Farm Bureau opposing the legislation. That is all I know about it.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, it is not very often that I impose upon the time of the committee in debate having to do with agricultural matters, but I think certainly it is in keeping with what the gentleman from Kansas was just saying and the gentleman from North Carolina [Mr. COOLEY], chairman of the committee, if I point out that while it is true the basic industry of my district is the production of anthracite coal, I have about 3,000 farm families in my district. Further, to point up what the gentleman from Kansas was indicating with particular reference to the small wheat acreage matters, that problem is especially mine with reference to the matter now before us.

Certainly there is little doubt, from what they have presented to me, that this amendment to the original act was certainly wrong in principle.

I have before me, on page 2 of the report, this language, and this typifies the case that I have. For instance, these small wheat farmers in my district, mostly under 15 acres, were not at any time permitted to vote on this wheat acreage allocation program. They had nothing to do with the voting on allotments. They were subject entirely to the action of their bigger brothers throughout the country.

This wheat-marketing-quota law provides, for example, that any farmer, whether he has a wheat allotment or not, may plant and market up to 15 acres of wheat without becoming subject to the marketing-quota provisions. It was the clear intent of this provision of law to permit farmers in areas where wheat is not a major commercial crop, and certainly wheat in my district is not a major commercial crop, but there is a great deal of small wheat acreage, to plant a small acreage as a nurse crop or a cover crop or for use on the farm.

So, Mr. Chairman, I am glad that the committee is unanimously reporting this

legislation and this amendment to the law, and return to the real purpose and intent to help the small farmers and not in any way destroy what we are trying to do.

Mr. COOLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Chairman, I would like to get into the RECORD the official position, as my office has it, of the farm organizations on this matter, including the Grange, the Farmers Union, and the Farm Bureau Federation. The Grange and the Farmers Union, according to what we hear, were both enthusiastically for this particular piece of legislation. The Farm Bureau official to whom we were referred, did not seem to know about it when first called, but after studying the report, stated that the Farm Bureau was against the legislation.

Mr. COOLEY. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, in the 1955 report of the American Farm Bureau Federation, on page 6, I find this language:

That Government should, with a minimum of control and aid, stimulate individual initiative.

That is exactly the ACP program. It has no control over the farmer. It does not contemplate that the program will in any way control his operation. It is only calculated to stimulate individual initiative.

I am not surprised at the Farm Bureau Federation. Unfortunately, in recent years we have met with opposition from the American Farm Bureau Federation on every bill we have brought from the Committee on Agriculture. This section that we are trying to repeal is an effort to regiment the farmer, and yet the Farm Bureau Federation comes out in favor of retaining section 348.

Mr. BASS of Tennessee. Will the gentleman yield?

Mr. COOLEY. I yield.

Mr. BASS of Tennessee. I wonder if there is anyone here who can state why the Farm Bureau Federation is opposing this measure. Did they give any reasons?

Mr. COOLEY. No. I would like to say that we held open hearings. A public announcement was made that the hearings were going to be held. The Farm Bureau did not ask to be heard. They have representatives in the city of Washington, and apparently they were indifferent about the matter until the bill reached the floor of this House for consideration. I hope no Member of the House will be influenced by any expression of opinion by the American Farm Bureau Federation.

I now yield to the gentleman from North Carolina [Mr. FOUNTAIN] such time as he may desire.

Mr. FOUNTAIN. Mr. Chairman, I rise in support of H. R. 1573. I associate myself with the views expressed by my colleague, the chairman of the Committee on Agriculture, the distinguished gentleman from North Carolina [Mr. COOLEY], and by the distinguished former chairman of the Committee on Agriculture, the gentleman from Kansas [Mr. HOPE].

I think it has already been well stated that section 348 has never had any rightful place in the Agricultural Adjustment Act of 1938, as amended. The present language of section 348 prohibits the making of agricultural-conservation program payments to any farmer who knowingly harvests any basic commodity in excess of his acreage allotment. In the first place, the ACP program is a separate and distinct program from that of the acreage-allotment program.

Prior to 1954, section 348 had applied only to cotton and had declared ineligible for ACP payments any cotton farmer who knowingly overplanted his allotment. There are no acreage allotments on cotton except when marketing quotas are in effect. In addition, the quota provisions themselves are an effective deterrent to overplanting. Consequently, as the committee report indicates, the provision was largely unnoticed and seldom used. During the closing hours of the 83d Congress a conference committee of the House and Senate reluctantly accepted section 348 in order to assure the passage of the 1954 act. This was the first time the principle set forth in section 348 had been made applicable to all basic commodities. It became new law and all kinds of difficulties and conflicts resulted, many of which have already been related during the course of this debate.

It is obvious that a strict interpretation of the provisions of section 348 would seriously retard the agricultural-conservation program which for any particular year is usually planned almost a year in advance and is authorized by Congress on that basis. As has been stated, the practices which will be approved for payment are normally determined prior to the beginning of the calendar year and soon after the beginning of the year farmers are invited to sign up for the program and begin to carry out the practices. Normally, our farmers are eligible for payments as soon as they have carried out these practices or as soon as the materials have been purchased, and ordinarily all payments have been made by the end of the fiscal year on June 30.

If a farmer must wait until he can certify that he has not harvested a particular crop in excess of his allotment, payment frequently cannot be made until the following year because in some areas some crops are still being harvested at the year's end. Another situation indicated the ridiculousness of section 348. It is the wheat-marketing-quota law which provides, for example, that any farmer—whether he has a wheat allotment or not—may plant and market up to 15 acres of wheat without becoming subject to the marketing-quota provisions. Clearly it is the intent of the wheat-marketing provision of law to permit farmers in areas where wheat is not a major commercial crop to plant a small acreage as a nurse crop or cover crop, or for feed on the farm, without penalty. In spite of this fact, section 348, as amended, would penalize these farmers without allowing them any benefit from the agricultural-con-

servation program unless they complied with acreage allotments.

In addition, section 304 of the 1954 act repealed the authority for marketing quotas on corn, permitting the growing of corn in excess of acreage allotments with no penalty other than the loss of eligibility for price support. Section 348, nevertheless, would impose a new penalty—loss of ACP payments.

Section 348, as amended, would be repealed by this bill. Its provisions, as I have indicated, are in direct conflict with the spirit of several provisions of the acreage-allotment and marketing-quota laws, and as pointed out in the committee report, with at least two other provisions of the 1954 act itself. It is most unfortunate that section 348 was ever included in the 1938 act, as amended. It would add additional and unnecessary administrative difficulties and procedures. It in no way adds anything to the restrictions already set forth in the program. Programs which are designed to stabilize the price and the supply of basic agricultural commodities necessarily are and should always be kept entirely separate from those programs, such as the ACP program, which are designed for the preservation and improvement of our soil and water resources for the long-range benefit of the Nation as a whole.

The ACP program has been a good program. It has given our farmers added incentive to conserve our soil and to make it more productive. While the program has helped them individually, it has also played a significant part in keeping our Nation economically strong. Let us strike section 348 from the Agricultural Adjustment Act and carry on with a program which has meant so much to our people and to the security of our Nation.

Mr. COOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. JONES].

Mr. JONES of Missouri. Mr. Chairman, I do not care to burden the committee. I was the author of a bill similar to the one we are considering. The particular point I would like to make here today is that my colleague the gentleman from Missouri [Mr. CHRISTOPHER], who, as most Members know, has been quite active in the farm program, was also the author of one of the bills and appeared before our committee at the hearings. He is ill and unable to be here today. I am sure that if he were here he would speak on this in his usually convincing manner and show you the desirability of approving this bill. The change, of course, as has been pointed out, has been endorsed by the Department of Agriculture. Also as the gentleman from Pennsylvania [Mr. McCONNELL] told us there is no connection between price supports and ACP. I think we are all agreed on that; and that is the purpose of this bill today, to get rid of the amendment which did tie the two together.

I hope this bill will pass.

(Mr. JONES of Missouri asked and was given permission to revise and extend his remarks.)

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. JOHNSON].

Mr. JOHNSON of Wisconsin. Mr. Chairman, I wish to go on record in support of this bill.

I think it could be said that anybody who opposes the repeal of this section of the Agricultural Adjustment Act is opposed to the soil-conservation program, because I do not think there is any particular law at this time that is doing more to wreck the soil-conservation program throughout the United States than the section we are trying to repeal.

I also introduced a bill, H. R. 3438, to correct the inequitable section 348 of the Agricultural Adjustment Act of 1938 pertaining to cross compliance for agricultural conservation payments.

The present law has worked to the disadvantage of farmers in my district, and I suspect that the same thing is true of farmers in many other sections of the country. Most of the dairy farmers in the ninth district of Wisconsin raise corn for feed on their own farms. They do not raise corn for commercial sale.

Thus, the present cross compliance law does not help in the promotion of soil-conservation practices because farmers cannot qualify for ASC payments. On the basis of numerous letters from farmers in my district—and also on the strength of personal conversation with scores of farmers—I know that this situation is true.

In January of this year I received a letter from a county agent in my district which summarizes the difficulties of dairy farmers in operating under the cross compliance provisions of the Agricultural Act.

I wish to quote two short paragraphs from this county agent's letter as follows:

There is one matter I would like to bring to your attention. Under the present ASC regulations, a farmer must comply with his corn allotment to get ASC payments. This works a hardship on dairy farmers since a considerable amount of their corn acreage is for silage corn.

Since the corn allotment is designed to cut down the amount of corn on the market, and since the acreage of silage corn will not affect corn on the market, wouldn't it be possible to eliminate silage corn from the corn-acreage allotment?

It was this situation that prompted me to introduce my bill, H. R. 3438. Since H. R. 1573 accomplishes the same purpose, I support the committee's report and urge my colleagues to vote for its adoption.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all Members who desire to do so may extend their remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. TUMULTY. Mr. Chairman, I desire to call the committee's attention to the following telegram I received from the New Jersey Farm Bureau opposing this legislation. This telegram sets

forth the reason for the Farm Bureau's opposition to the bill.

I join with them in their opposition to this bill. The telegram is as follows:

TRENTON, N. J., March 1, 1955.

JAMES TUMULTY,
House Office Building,
Washington, D. C.:

New Jersey Farm Bureau opposes H. R. 1573 which would make agricultural conservation program payments to farmers who exceed allotments. This principle contrary to a sound farm program.

W. P. WATSON, Secretary.

Mr. DEANE. Mr. Chairman, I strongly favor the proposed legislation, H. R. 1573 as reported out by the House Committee on Agriculture. Along with several Members of this House, I introduced a similar measure, H. R. 4059, which would repeal section 348 of the Agricultural Adjustment Act of 1938, as amended.

This measure is particularly vital to the farmers in my section of the country. I have heard from many of them, both in writing and by word of mouth, and the consensus of their opinion is that section 311 of the Agricultural Act of 1954 which amended section 348 of the Agricultural Adjustment Act of 1938 is too rigid. As is known by this House, section 348 of the Agricultural Adjustment Act of 1938, as amended, provides that any person who knowingly harvests any basic agricultural commodity, namely cotton, tobacco, corn, wheat, rice, and peanuts, in excess of the farm acreage allotment for such commodity shall not be eligible for any payment under the agricultural conservation program.

I am delighted to see that the House Committee on Agriculture has reported out a bill, H. R. 1573, which abolishes this rigid and unfair restriction.

In changing the basis of allotment to harvested acres, section 348 of the Agricultural Adjustment Act of 1938, as amended, did not eliminate the difficulties it was designed to eliminate but instead it multiplied the conflicts and problems of administration. If a farmer has to wait until he can certify that he has not harvested a crop in excess of his allotment, he frequently cannot receive his payment until the following year, and it is very difficult in farming as in business to have one's payments held up for several months or a year.

Section 348, as amended, which would be repealed by this bill, is in direct conflict with the spirit of several provisions of the acreage allotment and marketing-quota laws, and with at least two other provisions of the 1954 act itself.

Therefore, due to the conflicts which section 311 of the 1954 act has caused in amending section 348 of the 1938 act and due to the rigid regulatory authority left in the hands of the Secretary of Agriculture in enforcing the provisions of section 311, I am altogether in accord with the repeal of this restrictive legislation. In supporting the committee bill, H. R. 1573, I agree with the findings of the committee that the marketing quota penalties and the loss of price supports in the case of acreage allotments have proved sufficient deterrents to overpro-

duction of those commodities which are accorded price support in return for this measure of production control by the farmer.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. KING].

Mr. KING of Pennsylvania. Mr. Chairman, I think this legislation is not a matter of great significance, and I do not oppose this matter strenuously because it will not materially change the overall program. I believe, however, we should understand what we are doing.

First, I would say that the Department of Agriculture approves this in a passive way, because they recognize that the old provision is hardly worth the trouble it makes for them in administration.

The more significant thing in my estimation is the reasoning of the Farm Bureau in opposing this bill. They recognize this as just relaxing the rules, relaxing the restrictions which are inevitably necessary to make any Government price-support program work.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. KING of Pennsylvania. I yield.

Mr. HOPE. Would it be more equitable to say that what they want to do is to increase the restrictions? That is the position of the Farm Bureau. We have never had these restrictions before; but their position, as I understand, is that they want to impose additional restrictions, and the position of the Department is that they are satisfied with the restrictions we have now.

Mr. KING of Pennsylvania. I do not propose to speak for the Farm Bureau, but it is my opinion that they recognize that any workable price-support program must have rather rigid restrictions on production.

Even the leaders of our committee who favor high supports admit the necessity of regulations which will keep supply in line with demand. Yet, they take every opportunity to weaken the regulations.

After all these years of rigid price supports no reasonable adjustment has been accomplished and the surpluses pile higher and higher.

The legislation as it now stands does tie together two separate programs, the price-support program and the soil-conservation program, both of which are pure subsidies of production. They are responsible for the tremendous surpluses we are now carrying and we are not carrying those surpluses at any small cost. The cost is tremendous.

Last year's amendment was put in simply to say that if a farmer is going to benefit by receiving these subsidies he ought to comply fully with the farm program and cooperate to every extent, even if the programs be separated into separate pieces of legislation. Both are a part of the same old subsidy of production that has gotten us into this mess and because it creates a few hardships and causes the Department administrative troubles, we are now relaxing this restrictive measure.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. KING of Pennsylvania. I yield to the gentleman from North Carolina.

Mr. COOLEY. We have only had it in operation during the past year. After having it for 1 year, Mr. McConnell of the Department of Agriculture, I am sure with the consent and approval of the Secretary of Agriculture, Mr. Benson, the Committee on Agriculture, of which the gentleman is a member, advocates the repeal of it. Why should we insist on keeping something in the law which the Administrator, the Secretary of Agriculture, does not want?

Mr. KING of Pennsylvania. Mr. Chairman, I said at the outset that I was not strenuously opposing this bill. I was only trying to explain why the Department is willing to go along with it. I tried to point out the simple implications in what we are doing.

We are doing away with one of the restrictive provisions and insofar as that is accomplished we will make farmers a little freer to go ahead and produce. We speak very solicitously about the soil-conservation program. I am not attempting to argue that at this point, except let me say that the soil-conservation program that you all want to preserve is at least 80 percent subsidy, 80 percent of the \$250 million we put into that program every year is a subsidy of production.

Mr. HOPE. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Chairman, it has been stated here that this particular section has been in operation for 1 year. I think it should be made clear that this particular section has not gone fully into operation as yet, but it will go into operation with this year's ACP program unless immediate action is taken here in the House and in the Senate. It is necessary to get rapid action on this legislation.

I have talked with the Wisconsin State ACP committee in reference to the so-called Holland amendment to the Agricultural Act of 1954. The members of our State committee have stated to me that it will be almost impossible to administer the program in our State if section 348 of the Agricultural Adjustment Act of 1938, as amended, is retained. For that reason I joined with the gentleman from Kansas [Mr. HOPE], in cosponsoring this legislation providing for the repeal of section 348. The repeal of this section is supported by the Secretary of Agriculture and the Department of Agriculture as well as by your House Agriculture Committee.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from South Dakota [Mr. LOVRE].

Mr. LOVRE. Mr. Chairman, the purpose of this legislation is to separate two distinct programs which were united in the 1954 Agricultural Act. The two programs involved are the price-support and soil-conservation programs. There is absolutely no correlation between the two programs—one is designed to support prices and the other to encourage good soil and water conservation practices.

Last year, the conferees on the agriculture bill adopted what is known as the Holland amendment, which is nothing else than a penalty provision for the

enforcement of the price-support program. The purpose of the amendment was to deny any farmer payment for good soil-conservation practices when he failed to comply with his acreage allotments under the price-support program. This method of jeopardizing one program, which admittedly is universally accepted as sound, to enforce another program, which is more or less controversial, certainly is unfair and unjust in every way and should be repealed. That is the purpose of this legislation.

In my State alone, in 1954 only 40 percent of our farmers complied with their corn-acreage allotments. If this legislation, which we today seek to repeal, had been in effect in 1954, it would have meant that 60 percent of our farmers would have been denied the right to participate in the soil-conservation program.

We all know of the great need for sound soil and water conservation practices in this country. With an ever-increasing population, in the not too distant future, we are going to find that the productive capacity of our farmers is definitely limited because of a shortage of tillable land. We must keep what we have and recover what we can.

By denying farmers partial reimbursement for the costs of their conservation programs, we are hindering a most vital program. I have never been able to see why this provision was in the law, and the first bill I introduced during this session of the Congress was to repeal this section. I hope that this will be done with no undue delay.

(Mr. LOVRE asked and was given permission to revise and extend his remarks.)

Mr. COOLEY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, here is what the Department had to say about the effect of this section, and I am quoting from Mr. McConnell's testimony where he says that:

We have observed the effects of it long enough to believe that it has no particular effect in controlling what it was aimed to control, to keep people within their allotments, and we think there are other means which are already in effect. The marketing quotas do that very effectively.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Michigan?

Mr. HOFFMAN of Michigan. Is this an administration measure?

Mr. COOLEY. Well, it is sponsored by the former distinguished chairman of the House Committee on Agriculture.

Mr. HOFFMAN of Michigan. Mr. Hope?

Mr. COOLEY. Mr. Hope, and it is approved by Mr. Benson and his colleagues in the Department of Agriculture, and the repeal of it, I might say, is both an administration measure and a nonadministration measure, which has bipartisan support.

Mr. HOFFMAN of Michigan. This is one of the measures where the Democratic Party is supporting the President?

Mr. COOLEY. Well, that may be. You can take it that way if you want to,

but section 348 was written into the law in the last Congress.

Mr. HOFFMAN of Michigan. It takes care of cotton and peanuts?

Mr. COOLEY. Popcorn and cracker-jacks.

Mr. Chairman, I yield to the gentleman from Tennessee [Mr. BASS].

Mr. BASS of Tennessee. Mr. Chairman, the only reason I rise is this: There has been some controversy about the Farm Bureau opposing this measure. I would like to state that on two different occasions we held public hearings on this bill. The gentleman from Texas [Mr. POAGE] held hearings, and there were no opponents to the bill. He felt that he should circulate the information and give 4 or 5 days for someone to come in and oppose the bill if they felt like that. Five days later we had another hearing, and I feel quite sure that the Farm Bureau is well enough organized that they had information that some 15 bills were introduced in this matter; they knew that public hearings were being held, and I am surprised to find that organization, ordinarily efficient as a legislative sounding board for farm people, would come in on the day this bill is to be voted on the floor of the House and oppose it.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Chairman, I rise in support of H. R. 1573. My colleague the gentleman from Kansas [Mr. HOPE] and I introduced identical bills to repeal the so-called Holland amendment.

I think the substantiating evidence has been pretty well presented here this afternoon, and there are just two basic points I would like to make. There has been considerable talk about the small wheat farmer with 15 acres of wheat being unduly penalized by section 348. In my part of Kansas we are mostly small farmers. I am one of them myself. I am not speculating on what the farmers are thinking, because I am one. I have found that it is the small farmer that is being penalized by section 348. Now, because of the price-support program, your large farmer will naturally stay in compliance; he practically has to, because he is going to freely market his merchandise and commodities. Your small farmer, operating 160 acres or less or a half section, primarily is trying to raise feed for his livestock on his farm and does not offer commodities on the market directly for sale, and he is the man that is being penalized by section 348, the Holland amendment. Therefore I think he should receive some consideration in this repeal this afternoon.

Just one more thing. We have been conscious of soil conservation development for about 30 years. This thinking began to generate back in the twenties. It was in the thirties before it got going, and now in the fifties it is just about approaching the point where it is somewhere near satisfactory to those of us interested in it. Now comes section 348, which, in my opinion, will probably retard soil conservation work by at least 5 years. I urge everyone to support H. R. 1573.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. KNOX].

(Mr. KNOX asked and was given permission to revise and extend his remarks.)

Mr. KNOX. Mr. Chairman, H. R. 1573, a bill to repeal section 348 of the Agricultural Adjustment Act of 1938, in my opinion, is in the best interest of the small farmers throughout this entire Nation.

In the district I represent, we have many small farmers who grow from 1 to 15 acres of wheat, not for the market, but for home consumption. I do not believe it was ever the intent of Congress that these people who are operating small farms should ever become penalized because of providing the necessary feed for their poultry or livestock. A vote against this bill would be un-American and a violation of trust which is vested in the Congress. It is very unfortunate that Senator HOLLAND's amendment prevailed in the Senate a year ago, bringing about this problem of confronting small farmers. Therefore, I heartily endorse the provisions of the bill for the repeal of section 348 whereby the small farmer who has the initiative to provide for himself and his poultry and livestock will not become penalized as he would today should this amendment not be adopted.

Mr. HOPE. Mr. Chairman, we have no further requests for time.

Mr. COOLEY. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 348 of the Agricultural Adjustment Act of 1938, as amended, is hereby repealed, effective with respect to 1955 and subsequent crops.

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. COOPER] having assumed the chair, Mr. MADDEN, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938, pursuant to House Resolution 161, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

REMOVING INEQUITIES IN SOCIAL-SECURITY PROGRAM

(Mr. BOSCH (at the request of Mr. MARTIN) asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BOSCH. Mr. Speaker, the 83d Congress made certain changes in the

Social Security Act in accordance with the recommendation of the President of the United States. These changes were modest in their application and coverage.

The basic reasoning behind the social-security program is to see that the people of this country enjoy the benefits from the money which they have contributed into the fund. I am firmly convinced that there is need for further revision of the program in three respects. It is for this reason that I am today reintroducing my bill which will, if adopted, remove what I would consider inequities in this program.

First. It will give more benefits to the needy, those whom we consider at all times. It raises the basic benefit to \$75 for beneficiaries and raises the widow and children benefits proportionately.

Second. It will reduce the benefit age from 65 years to 60 years. I believe that a more equitable distribution under the social-security program will take place if the benefit age is reduced to 60 years. It has become increasingly evident that it is almost impossible for anyone over 45 years to obtain employment. Having contributed to the fund they should have the opportunity to enjoy the benefits at 60 years of age.

Third. This bill will also remove the restrictions on outside income and earnings of the beneficiaries as long as they have met all other requirements and are otherwise found qualified to receive social-security benefits under the program. I am firmly convinced that the present restriction on outside earnings, before the age of 72 years, works a hardship on most of those who are recipients of these benefits.

Mr. Speaker, I sincerely trust that these recommendations will receive favorable consideration and action by the Committee on Ways and Means.

SECTION 462, REVENUE ACT OF 1954

(Mr. MUMMA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MUMMA. Mr. Speaker, I was somewhat alarmed last week when the gentleman from New York [Mr. ZELENKO], as recorded on page 1734 of the CONGRESSIONAL RECORD carrying the proceedings of the House of February 24, made the statement that the taxpaying business people of the country were getting a terrific windfall in the matter of tax deductions by reason of the accrual method by which they kept their books.

I was so worried about this matter, because I had never heard of any such provision in the last tax bill in connection with the taxes a corporation had to pay, that I had our accountant check up on this subject. We have been in business 35 years and he has been very successful in his relations with the Internal Revenue Bureau, and rightly so. He said we have been keeping our books on an accrual basis for the last 35 years.

It is true that this deduction, or whatever you may call it, does tend to level out the hills and the valleys in your financial statement. People selling items that

require service, such as air conditioners, set up an account against every one of such articles they sell, but sooner or later within the year there is a day of reckoning.

Let me read this letter in which our accountant explains this situation:

PENNSYLVANIA SUPPLY Co.,
Harrisburg, Pa., February 28, 1955
Congressman WALTER M. MUMMA,
House Office Building,
Washington, D. C.

DEAR MR. MUMMA: The following is some dope I got together on the changes that were made by the 1954 Revenue Act that Mr. ZELENKO talked about:

1. Section 462 permits a taxpayer to provide reserves for estimated expenses and to deduct reasonable additions to such reserves in the year in which the expenses are estimated. Estimated expenses of this kind were not permitted prior to the 1954 Revenue Act.

2. Examples of expenses which ordinarily meet the requirements are cash discounts, product warranties, sales returns and allowances, freight allowances, quantity discounts, and vacation pay; an example of this is:

A taxpayer sells air conditioners which he guarantees for 1 year. Taxpayers' experience indicates that the average cost per unit of fulfilling the guaranty is \$24. For each unit sold \$24 is credited to a reserve account. As the expenses are actually incurred, the reserve shall be charged with the amount of these expenses. In no event will a double deduction be permitted. At the close of each taxable year the reserve shall be adjusted to reflect charges in the actual cost experience of the taxpayer.

3. From Mr. ZELENKO's statements one might be led to believe that a taxpayer could set up reserves for expenses without limitations to evade income tax and that the Government would never collect tax that it would otherwise collect to the extent of 5 billions (it would be interesting to know how this amount was estimated).

The above reasoning is not true for the following reasons: (a) Only reserves can be set up for expenses which in the opinion of the Commissioner can be estimated with reasonable accuracy; (b) the general purpose of section 462 is to bring tax accounting more closely into harmony with generally accepted accounting principles. It is not intended to permit taxpayers to deduct estimated expenses in any taxable year unless such treatment would be proper for such year under the taxpayer's method of accounting.

The estimated expense must be attributable to the income of the taxable year and part or all of which would be required to be taken into account for a subsequent taxable year. Expenses attributable to income of future years are not expenses for which an addition to a reserve under section 462 is allowable.

Whether a reserve for estimated expenses is reasonable shall be determined in each particular case in the light of the pertinent facts known at the close of the taxable year. In case actual expenses prove to be more or less than those estimated for prior years, the amount of the excess or inadequacy shall be reflected in the determination of a reasonable amount for the current taxable year.

In any case in which a reserve for estimated expenses as of the close of any taxable year is determined to be excessive, such excess shall be taken into account in computing the taxable income for the taxable year for which such determination is made.

I hope this gives you some information that you wanted; and if not, please let me know and we will try again.

Yours truly,

AMOS EBERT.

CORRECTION OF RECORD

Mr. EVINS. Mr. Speaker, I ask unanimous consent that the RECORD of yesterday at page A1347 be corrected. Through an inadvertent error, it was indicated that the Representative speaking was from the State of Texas. That is a very great State, but I am a Representative from the great State of Tennessee.

The SPEAKER pro tempore. Without objection, the RECORD will be corrected accordingly.

There was no objection.

SPECIAL ORDER GRANTED

Mr. MADDEN asked and was given permission to address the House on Wednesday, March 9, 1955, for 60 minutes, at the conclusion of the legislative program and any special orders heretofore entered.

VIEWS EXPRESSED IN WEEKLY LETTERS, JANUARY AND FEBRUARY 1955

Mr. PATMAN. Mr. Speaker, I am inserting herewith certain paragraphs that were contained in my weekly letters during the past 60 days. They are as follows:

[From 1,115th weekly letter of January 6, 1955]

C-BOMBS

The first A-bomb was a crude weapon in comparison with later scientific developments, yet it leveled a large industrial city. The H-bomb disintegrated a whole island in the Pacific Ocean. The cobalt bomb, or C-bomb, has been discovered and our scientists have the know-how for its manufacture. It will be the greatest of them all. Two hundred cobalt bombs will be sufficient to make a ball of fire out of the entire earth. It is the weapon of ultimate destruction and presents a great challenge.

WORKWEEK

Were it not for the 40-hour week, we would likely have 12 million unemployed people today. Many people now living can remember the 6-day workweek when it was standard in American industry with 12 hours a day. Technological developments are constantly improving our productivity. Consideration is now being given to a 36-hour workweek to be effective within the next decade, with frequent 3-day weekends a uniform practice.

BOOM AND BUST

The boom-and-bust theory is outmoded. Depressions are either manmade or man-permitted; they can be avoided. A panic every few years, which would permit the fortunate and the privileged to acquire the property and possessions of the less fortunate and poor, should not be tolerated in the future. If well-known policies and practices are pursued by officials working in the public interest, all the people of our country will be privileged to enjoy reasonable prosperity with accompanying conveniences, comforts, and many of the luxuries of life.

WHY PAY TAXES?

Advertisements are appearing in financial journals with the heading "Why Pay Taxes?" The incomes from all bonds issued by States, cities, and other political subdivisions are not taxable for Federal income or other purposes. A fortunate person with a few million dollars can invest his savings in these tax-exempt securities and make no reports of any kind whatsoever and pay no taxes.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 21, 1955
For actions of April 20, 1955
84th-1st, No. 65

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HIGHLIGHTS: Both Houses agreed to conference report on 2nd supplemental appropriation bill. Both Houses received President's foreign aid message. Senate passed Colorado reclamation bill. Senate committee reported bills to: amend rice-quota provisions, authorize sale of forest tracts, continue livestock-loans program, repeal REA State formula, repeal tie-in of ACP with acreage allotments, provide additional acreage allotments for freeze areas, etc. Senate committee ordered reported measure directing USDA to study burley tobacco problem. House passed postal pay raise bill. Rep. Moulder urged investigation of Mo. Agricultural Stabilization Committee's methods. Sens. Carlson and Morse introduced and discussed bills to provide two-price wheat plan. Sens. Johnston and Thurmond introduced, and Sen. Thurmond discussed, bills to limit interest on certain farm loans to 3%. Rep. Gathings commended Secretary's handling of Japanese rice negotiations.

SENATE

1. SECOND SUPPLEMENTAL APPROPRIATION BILL, 1955. Both Houses agreed to the conference report on this bill, H. R. 4903, and acted on amendments which had been reported in disagreement (pp. 4079-80, 4082-4). The House concurred in the Senate amendment regarding the wind erosion control item. For other items of interest to this Department, see Digest 64. This bill will now be sent to the President.
2. FOREIGN AID. Both Houses received the President's message recommending continuation of the Mutual Security Program under an International Cooperation Administration in the State Department; to Senate Foreign Relations Committee and House Foreign Affairs Committee (H. Doc. 144) (pp. 4080, 4084-6).
3. RECLAMATION. Passed, 58-23, with amendments S. 500, to authorize the Colorado River storage project (pp. 4048-73).
4. LOYALTY DAY. Passed without amendment H. J. Res. 184, to designate May 1, 1955,

as Loyalty Day (p. 4073). This measure will now be sent to the President.

5. TRADE AGREEMENTS. The Finance Committee made additional tentative decisions regarding various provisions of H. R. 1, the trade agreements bill (p. D311).
6. RICE QUOTAS. The Agriculture and Forestry Committee reported without amendment H. R. 2839 (S. Rept. 213) and H. R. 4356 (S. Rept. 214), and with amendments H. R. 4647 (S. Rept. 211), to amend various provisions of the rice marketing quota laws (p. 4031).
7. FORESTRY. The Agriculture and Forestry Committee reported with amendments S. 1079, to authorize sale of isolated or protruding tracts of national forest land (S. Rept. 207)(p. 4031).
8. LIVESTOCK LOANS. The Agriculture and Forestry Committee reported without amendment S. 1372, to amend the act of April 6, 1949, to extend the period for emergency assistance to farmers and stockmen (S. Rept. 208)(p. 4031).
9. RURAL ELECTRIFICATION. The Agriculture and Forestry Committee reported with amendment S. 153, to amend the Rural Electrification Act so as to eliminate the requirement that not more than 10% of the loans may be made in any one State (S. Rept. 209)(p. 4031).
10. SOIL CONSERVATION; ACREAGE ALLOTMENTS. The Agriculture and Forestry Committee reported without amendment H. R. 1573, to repeal the requirement that farmers must comply with acreage allotments on basic crops in order to be eligible for ACP payments (S. Rept. 210).
11. ACREAGE ALLOTMENTS; FARM RELIEF. The Agriculture and Forestry Committee reported with amendments S. 1628, to provide relief to farmers and farmworkers suffering crop losses or loss of employment because of damage to crops caused by drought, flood, hail, frost, freeze, wind, insect infestation, plant disease, or other natural causes (S. Rept. 206)(p. 4031).
12. LAND TRANSFER. The Agriculture and Forestry Committee reported without amendment S. 998, to authorize conveyance of a tract of ARS land to Woodward, Okla. (S. Rept. 212)(p. 4031).
The Agriculture and Forestry Committee ordered reported H. J. Res. 107, to permit Federal release of reversionary rights in certain former FHA land located at Kern County, Calif. (p. D310).
13. TOBACCO. The Agriculture and Forestry Committee ordered reported S. J. Res. 60, directing the Secretary of Agriculture to make a study and report regarding burley tobacco marketing controls (p. D310).
14. AGRICULTURAL STABILIZATION COMMITTEE. Received a Mo. State legislature resolution requesting the USDA to investigate the activities of the Mo. State ASC committee in the dismissals of duly elected local committeemen, the suspension of the William Young McCaskill and Smith Feed Co. as certified drought feed dealers, etc. (pp. 4029-30).
15. ELECTRIFICATION. Sen. Neuberger spoke in favor of increased appropriations for the John Day Dam, Columbia River, and inserted an Oregonian editorial on this subject (p. 4080).

ELIGIBILITY FOR CONSERVATION PAYMENTS

APRIL 20 (legislative day, APRIL 18), 1955.—Ordered to be printed

Mr. HUMPHREY, from the Committee on Agriculture and Forestry,
submitted the following

R E P O R T

[To accompany H. R. 1573]

The Committee on Agriculture and Forestry, to whom was referred the bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938, having considered the same, report thereon with a recommendation that it do pass without amendment.

H. R. 1573 would eliminate the requirement that in order to be eligible to receive agricultural conservation payments beginning with the 1955 crop, a producer must comply with all acreage allotments for corn, wheat, cotton, tobacco, rice, and peanuts. The objective of the present law, which was enacted in 1954, was to obtain greater compliance with acreage adjustment programs. Indications are that the requirement will not result in increased compliance, and several bills have been introduced which would amend or repeal the applicable law, which is section 348 of the Agricultural Adjustment Act of 1938. The first of these bills, S. 139, was introduced by Senator Clements on January 6, followed by S. 443 by Senator Mundt, S. 494 by Senator Carlson, S. 517 by Senator Case of South Dakota, and S. 532 by Senator Young. These bills and H. R. 1573 were studied by a subcommittee which has submitted a favorable report, a copy of which is attached.

Also attached as a part of this report are two reports by the Department of Agriculture on the Senate bills and the report of the House committee on Agriculture on H. R. 1573.

APRIL 20, 1955.

REPORT OF SUBCOMMITTEE OF THE COMMITTEE ON AGRICULTURE AND FORESTRY
ON H. R. 1573

Your subcommittee to whom was referred the bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938, having considered the same, report thereon with the unanimous recommendation that it do pass without amendment.

This bill would repeal section 348 of the Agricultural Adjustment Act of 1938 which was extended last year to cover all basic agricultural commodities. It now appears that instead of improving compliance with acreage allotments, as was intended, section 348 is resulting in reduced participation in soil-conservation programs. The subcommittee held hearings which have been printed. The bill was favored by the Department of Agriculture, the National Grange, and the National Farmers Union. It was opposed by the American Farm Bureau Federation, which, however, recognized that some amendment of section 348 might be desirable. The report of the Committee on Agriculture of the House of Representatives on the bill and the report of the Department of Agriculture on similar Senate bills are attached.

HUBERT H. HUMPHREY, *Chairman.*
W. KERR SCOTT.
KARL E. MUNDT.

DEPARTMENT OF AGRICULTURE,
Washington, February 9, 1955.

HON. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR ELLENDER: This is in partial reply to your letter of January 19, 1955, requesting reports on certain bills relating to agriculture. We are herein reporting on S. 494, S. 517, and S. 532. These bills are identical and would repeal section 348 of the Agricultural Adjustment Act of 1938, as amended. This section which was amended by section 311 of Public Law 690, 83d Congress, provides that any person who knowingly harvests any basic agricultural commodity on his farm, which has been determined by the Secretary to be in excess of the farm acreage allotment, shall not be eligible for any ACP payment. All persons applying for any ACP payment are required to file with the application, a statement of facts showing eligibility under this provision.

The Department approves of this proposed legislation. At present the only ACP payments made are for cost-sharing with respect to conservation practices carried out on farms, and these payments represent only a share of the cost of performing the conservation measure. There was a direct relationship between acreage allotments and a portion of the payments made under the Soil Conservation and Domestic Allotment Act, prior to 1944, but it no longer exists. Also, the present average ACP amount of cost-sharing of less than \$100 is not large enough to be a strong incentive for farmers to comply with acreage allotments.

The principal effect of this restriction on ACP assistance will be to discourage conservation on family-type farms. Since it is expected that most farmers will comply with marketing quota provisions, the eligibility requirement of section 348 will affect principally farmers with corn allotments and farmers with less than 15-acre wheat allotments. Under marketing quota requirements a farmer with a wheat allotment less than 15 acres is permitted to grow and harvest 15 acres of wheat without incurring a marketing quota penalty. This exemption, however, does not apply to the ACP eligibility requirement of section 348.

Based on past experience it is estimated that there will be about 750,000 farms with a 1955 wheat acreage allotment of less than 15 acres. A high percentage of these farms is expected to take advantage of the 15-acre limit and thereby become ineligible for 1955 ACP assistance. It is estimated that there will be 1,600,000 farms with a 1955 corn allotment. Based on the compliance obtained in 1954 it is likely that up to 60 percent, or almost 1 million farms, will have excess corn acreage in 1955 which would make them ineligible for 1955 ACP payments. Even though some farms with small wheat allotments also grow corn and would be included in both of the foregoing estimates, it is likely that substantially more than 1 million farms would not be eligible for ACP payments, due to the provisions of section 348.

Elimination of this entire requirement of eligibility is desirable. Its repeal would not require additional appropriations.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE,
Under Secretary

DEPARTMENT OF AGRICULTURE,
Washington, D. C., March 10, 1955.

HON. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR ELLENDER: This is in reply to your request of January 12, 1955, for a report on S. 139, a bill to repeal the amendments to sections 348 and 374 of the Agricultural Adjustment Act of 1938, which were made by section 311 of the Agricultural Act of August 28, 1954 (Public Law 690, 83d Cong.).

With respect to the effect of this bill on section 348 of the Agricultural Adjustment Act of 1938, this Department recommends that the entire section 348 be repealed. The proposed bill would repeal only that part of the section which was added by Public Law 690, 83d Congress. If S. 139 is enacted, the provision that a person comply with his cotton acreage allotment would remain in effect. It is the view of this Department that ACP's eligibility should not be conditioned on compliance with any of the acreage allotments. The principal effect of such restrictions is to discourage the carrying out of needed conservation work. This Department therefore favors the elimination of the entire eligibility requirement imposed by section 348 rather than elimination of the requirement for only a part of the crops with acreage allotments. More details of our recommendation are contained in our report to you with respect to S. 494, S. 517, and S. 532.

The Department recommends against the provision of S. 139 which would repeal the 1954 amendment to section 374 of the Agricultural Adjustment Act of 1938. That amendment directed the Secretary to provide a method by which a farmer who overplants any basic crop allotment may adjust the planted acreage to the farm acreage allotment. S. 139 would restore, in place of this provision, the last sentence of section 374 (b) of the Agricultural Adjustment Act of 1938, as amended, which was similarly worded except that it applied only to cotton.

Since the passage of Public Law 690, farmers have been expecting to be permitted to adjust their planted acreage to come within the allotment on each basic crop if they so desired. To change at this time, with respect to the 1955 crop, would lead to much dissatisfaction, misunderstanding, and administrative difficulty in connection with some crops, particularly corn and rice.

The Department believes that the provision for adjusting the planted acreage to the allotment should be applicable equally to all the basic commodities. In our opinion the provision in the present law should be retained.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

EARL L. BUTZ,
Acting Secretary.

[H. Rept. No. 67, 84th Cong., 1st sess.]

The Committee on Agriculture, to whom was referred the bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The purpose of this bill is to repeal section 348 of the Agricultural Adjustment Act of 1938, as amended by section 311 of the so-called Agricultural Act of 1954. The present language of this section prohibits the making of agricultural conservation program payments to any farmer who "knowingly harvests" any basic commodity in excess of his acreage allotment.

Prior to 1954, section 348 of the 1938 act had applied only to cotton and had declared ineligible for ACP payments any cotton farmer who "knowingly overplanted" his allotment. Since there are no acreage allotments on cotton except when marketing quotas are in effect, and since the quota provisions themselves are an effective deterrent to overplanting, the provision was largely unnoticed and seldom used.

The section applying this principle to all basic commodities was put into the 1954 act in conference. There was no comparable provision in the House bill. Its adoption by the conferees, and subsequently by both Houses, brought about some entirely new, and to some extent unexpected, difficulties and conflicts.

In order to conform to existing law relating to several basic commodities, the section had to be made to apply to "acres harvested," instead of "acres planted." Several of the allotment and quota provisions relating to basic commodities specifically contemplate the planting of acreage in excess of the farm acreage

allotment if the excess acres are not harvested in the usual manner but are used for hay, forage, or similiar purposes.

Apparently, however, changing the application to "harvested acres" has not eliminated the difficulties but has, instead, multiplied the conflicts and the problems of administration.

For one thing, strict interpretation of the provisions of the section would seriously retard the agricultural conservation program. This program for any particular year is usually planned almost a year in advance and is authorized by Congress on that basis. The practices which will be approved for payment are normally determined prior to the beginning of the calendar year and soon after the beginning of the year farmers are invited to sign up for the program and begin to carry out the practices. Normally, they are eligible for payment for these practices as soon as they have been carried out or as soon as the materials have been purchased, and ordinarily all payments have been made by the end of the fiscal year on June 30.

If, in strict compliance with the terms of the section, a farmer must wait until he can certify that he has not harvested a crop in excess of his allotment, payment can frequently not be made until the following year, because in some areas some crops are still being harvested at the year's end.

Section 348, as amended, which would be repealed by this bill, is in direct conflict with the spirit of several provisions of the acreage-allotment and marketing-quota laws, and with at least two other provisions of the 1954 act itself.

The wheat-marketing-quota law provides, for example, that any farmer (whether he has a wheat allotment or not) may plant and market up to 15 acres of wheat without becoming subject to the marketing-quota provisions. It is the clear intent of this provision of law to permit farmers in areas where wheat is not a major commercial crop to plant a small acreage as a nurse crop or cover crop, or for feed on the farm, without penalty. Section 348, as amended, however, would penalize them by denying them any benefit from the agricultural conservation program unless they did comply with acreage allotments.

Section 309 (b) of the 1954 act exempts from the wheat-marketing-quota law wheat produced in any State where the acreage allotment for the marketing year is 25,000 acres or less. The purpose of this provision is to liberalize the marketing quota law so as to eliminate useless administrative action and to permit growers in the noncommercial areas (most of whom produce only for use on the farm and send no wheat whatever into commercial channels) to produce wheat without regard to marketing quotas. Section 348, however, would require administrative action such as this provision seeks to eliminate and make the control law stricter, instead of more liberal.

Section 304 of the 1954 act repealed the authority for marketing quotas on corn, permitting the growing of corn in excess of acreage allotments with no penalty other than the loss of eligibility for price support. Section 348, however, would add a new penalty—loss of ACP payments.

In addition, the committee believes that this short experience with section 348 of the 1938 act, as amended, has demonstrated quite clearly that it is wrong in principle. Programs designed to stabilize the price and the supply of specific agricultural commodities are and should be kept entirely separate from those programs which have as their objective the preservation and improvement of our soil and water resources.

The marketing quota penalties and the loss of price supports in the case of acreage allotments have proved sufficient deterrents to overproduction of those commodities which are accorded price support in return for this measure of production control by farmers. Conservation programs are designed for the long-range benefit of the Nation as a whole. The carrying out of proper conservation measures may actually, in many instances, be unprofitable to the farmer who is working the land. The objectives of this program are entirely separate and different from the objectives of our price-support programs and should be kept so.

A large number of similar bills were considered by the committee in its hearings on this matter. The bills included:

H. R. 32, Mr. Berry
H. R. 461, Mr. Lovre
H. R. 1776, Mr. Christopher
H. R. 1832, Mr. Polk
H. R. 1859, Mr. Wilson
H. R. 2412, Mr. Jones
H. R. 2415, Mr. Laird
H. R. 2540, Mr. Albert

H. R. 2544, Mr. Avery
H. R. 3130, Mr. Moulder
H. R. 3240, Mr. Abbitt
H. R. 3312, Mr. George
H. R. 3438, Mr. Johnson
H. R. 3464, Mr. Knigley
H. R. 3781, Mrs. Knutson
H. R. 4059, Mr. Deane

No witnesses appeared at the hearing in opposition to the bill. Because of time limitations, the Department of Agriculture was not asked to submit a formal report but a representative of the Department testified at the hearing in support of the bills.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italics*, existing law in which no change is proposed is shown in *roman*):

AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

[SEC. 348. (a) Any person who knowingly harvests any basic agricultural commodity on his farm which has been determined by the Secretary to be in excess of the farm acreage allotment for such commodity for the farm for such year under this title shall not be eligible for any payment for such year under the Soil Conservation and Domestic Allotment Act, as amended.

[(b) Persons applying for any payment of money under the Soil Conservation and Domestic Allotment Act, as amended, shall file with the application a statement of facts showing eligibility under this section.]



Calendar No. 218

84TH CONGRESS
1ST SESSION

H. R. 1573

[Report No. 210]

IN THE SENATE OF THE UNITED STATES

MARCH 4, 1955

Read twice and referred to the Committee on Agriculture and Forestry

APRIL 20 (legislative day, APRIL 18), 1955

Reported by Mr. HUMPHREY, without amendment

AN ACT

To repeal section 348 of the Agricultural Adjustment Act of
1938.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 348 of the Agricultural Adjustment Act of
4 1938, as amended, is hereby repealed, effective with respect
5 to 1955 and subsequent crops.

Passed the House of Representatives March 2, 1955.

Attest:

RALPH R. ROBERTS,

Clerk.

84TH CONGRESS
1ST SESSION

H. R. 1573

[Report No. 210]

AN ACT

To repeal section 348 of the Agricultural
Adjustment Act of 1938.

MARCH 4, 1955

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Agriculture and Forestry

APRIL 20 (legislative day, APRIL 18), 1955

Reported without amendment

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 26, 1955
For actions of April 25, 1955
84th-1st, No. 67

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and clothing. Several Representatives criticized increased interest rate on disaster		
loans and decline in farm prices. Sen. Humphrey urged conservation acreage reserve.		
Sen. Humphrey urged land-reform support and referred to Ladejinsky.		

SENATE

1. ACREAGE ALLOTMENTS. Passed as reported S. 1628, to authorize the Department, until June 1, 1958, to make available additional acreage allotments to farmers whose crops are destroyed or severely damaged by freeze, drought, or other natural cause (pp. 4240, 4242-3).
2. LIVESTOCK LOANS. Passed without amendment S. 1372, to extend for two additional years the authority of the Department to provide emergency assistance to farmers and stockmen under the act of April 6, 1949 (pp. 424C-2).
3. FORESTRY. Passed with amendment S. 1079, which, as amended, provides "That the Secretary of Agriculture is authorized to sell at not less than the appraised value, and under such terms and conditions as he deems appropriate, lands in the national forests which are isolated parcels or narrow projecting strips, when he finds such lands suitable for private ownership and better adapted to commercial, agricultural, residential, or other private purposes than to national forest purposes" (pp. 4240, 4244-5).

4. RICE ALLOTMENTS. Passed without amendment H. R. 2839, providing for reapportionment of rice acreage allotments voluntarily surrendered to county committees (p. 4241). This bill will now be sent to the President.
Passed without amendment H. R. 4356, to provide that joint acreage allotments of rice be divided on the basis of acreage planted by each participant instead of on the basis of each participant's share of the crop (p. 4241). This bill will now be sent to the President.
Passed as reported H. R. 4647, which would increase each 1955 State rice acreage allotment by 2%, provide each State with a 1955 rice allotment at least equal to its 1950 allotment, provide each county whose base acreage for 1955 exceeded by at least 2% its base acreage for 1950 with a 1955 rice allotment at least equal to its 1950 allotment, and increase each State reserve for new producers and new farms to a minimum of 500 acres (pp. 4241, 4243-4). As passed by the House, the bill would have increased rice allotments by 5%.
5. LAND TRANSFERS. Passed without amendment S. 998, directing the Department to sell a tract of ARS land to Woodward, Okla., for 50% of its value (p. 4241).
The Agriculture and Forestry Committee reported without amendment H. J. Res. 107, to permit Federal release of reversionary rights to certain former FHA land to the Vineland School District, Kern County, Calif. (S. Rept. 223) (p. 4215).
6. TOBACCO. The Agriculture and Forestry Committee reported without amendment S. J. Res. 60, directing the Secretary of Agriculture, not later than July 1, 1955, to submit to Congress a report on the feasibility, cost, etc., of various types of burley tobacco controls (S. Rept. 224) (p. 4215).
7. PERSONNEL. The Post Office and Civil Service Committee reported without amendment S. 1094, to remove the limitation on the amount of appropriations which may be used by Federal agencies for uniform allowances (S. Rept. 222) (p. 4215).
Agreed to, as reported, S. Res. 33, to direct the Committee to investigate administration of the civil-service system by the Civil Service Commission and other Government agencies (p. 4232).
8. AGRICULTURAL APPROPRIATION BILL FOR 1956, H. R. 5239, was made the unfinished business (p. 4239). Sen. Williams submitted an amendment which he intends to propose to this bill (p. 4225).
9. REORGANIZATION; MANAGEMENT. The Government Operations Committee reported without amendment S. 1763, to continue the Hoover Commission from May 31 through June 30, 1955, for liquidation purposes (S. Rept. 217) (p. 4215).
Received the annual report of the Government Operations Committee on its investigations (S. Rept. 231) (p. 4216).
Both Houses received the Hoover Commission report on "food and clothing in the Government" (H. Doc. 146); to Government Operations Committees (pp. 4204, 4207). This report will not be available from the Legislative Reporting Staff except for an emergency need. Pursuant to a special arrangement, each agency of the Department is ordering its own supply of the report directly from GPO.
10. SOIL CONSERVATION; ACREAGE ALLOTMENTS. Discussed and, at the request of Sen. Bible, passed over H. R. 1573, to repeal the provision prohibiting ACP payments to persons who do not adhere to acreage allotments on basic crops. Sen. Johnson indicated that this bill will soon be brought up for separate consideration, and Sen. Holland said he had no objection to such procedure but did not believe the bill should be considered on the calendar. (pp. 4241, 4244.)

of supplementary advances on loans at the time the extended period expires.

Mr. JOHNSON of Texas. Would it be agreeable to the minority calendar committee if at the conclusion of the calendar call this bill be considered by the Senate.

Mr. HRUSKA. I have no objection to that.

Mr. PURTELL. I have no objection.

Mr. ELLENDER. I do not believe that there will be any objection to placing in the bill a time limitation of the kind the Senator from Nebraska has reference to.

Mr. HRUSKA. A 2-year limitation would be agreeable to us.

Mr. ELLENDER. I ask unanimous consent, Mr. President, that the bill be placed at the foot of the calendar.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana, that the bill be placed at the foot of the calendar?

Mr. PURTELL. We have no objection.

The PRESIDING OFFICER. Without objection, the bill will be placed at the foot of the calendar.

AMENDMENT OF RICE MARKETING QUOTA PROVISIONS—BILL PLACED AT FOOT OF CALENDAR

The bill (H. R. 4647) to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, was announced as next in order.

Mr. PURTELL. Mr. President, I believe this bill involves a new policy, and therefore I object to the bill being considered at this time. I believe it should be debated on the floor.

Mr. JOHNSON of Texas. Would it be agreeable to the Senator if I moved to take it up at the conclusion of the call of the calendar?

Mr. PURTELL. I would have no objection.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the bill be placed at the foot of the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONVEYANCE OF CERTAIN LAND IN OKLAHOMA TO THE CITY OF WOODWARD, OKLA.

The bill (S. 998) to authorize the conveyance of a certain tract of land in the State of Oklahoma to the city of Woodward, Okla., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to convey by quitclaim deed to the city of Woodward, Okla., all of the right, title, and interest of the United States in and to the following-described land situated in Woodward County, Okla.:

Beginning at a point 66.0 feet south and 283.0 feet west of the northeast corner of the northwest quarter of section 35, township 23 north, range 21 west, Indian meridian, and running thence south 273.0 feet, thence west 150.0 feet, thence north 273.0 feet, thence east 150.0 feet to the point of beginning, all lying in the northwest quarter of section 35, township 23 north, range

21 west, Indian meridian, and including an area of 0.940 acre more or less.

SEC. 2. The conveyance authorized by this act shall be made subject to (a) the condition that the city of Woodward, Okla., pay into the Treasury of the United States, in return for the land conveyed, an amount equal to 50 percent of the fair market value of such land to be determined by the Secretary of Agriculture after appraisal of such land, and (b) such other conditions, limitations, or reservations as the Secretary may deem necessary to protect the interests of the United States.

AMENDMENT OF RICE QUOTA MARKETING PROVISIONS

The bill (H. R. 2839) to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, was considered, ordered to a third reading, read the third time, and passed.

RICE ALLOTMENT HISTORY

The bill (H. R. 4356) to amend the Agricultural Adjustment Act of 1938, with respect to rice allotment history was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF RURAL ELECTRIFICATION ACT OF 1936—BILL PASSED OVER

The bill (S. 153) to amend the Rural Electrification Act of 1936 was announced as next in order.

Mr. BIBLE. Mr. President, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

REPEAL OF SECTION 348 OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938—BILL PASSED OVER

The bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938 was announced as next in order.

Mr. BIBLE. Mr. President, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. JOHNSTON of South Carolina. Mr. President, I ask that after the call of the calendar, H. R. 1573 be considered by the Senate.

Mr. JOHNSON of Texas. Mr. President, the Senator from South Carolina and several other Senators are very much interested in this proposed legislation, but we are not in position to debate it today. I gave Senators assurance that if it were objected to today on the call of the calendar it would be taken up at an early date.

Mr. JOHNSTON of South Carolina. Mr. President, if it is to be passed, it will have to be passed within the next few days in order to relieve the situation of the farmers.

Mr. JOHNSON of Texas. I assure the Senator from South Carolina that I shall be glad to talk to him about a convenient date when the measure can be considered by the Senate.

Mr. JOHNSTON of South Carolina. I thank the Senator from Texas.

OPERATION OF GOVERNMENT TIN SMELTERS AT TEXAS CITY, TEX.

The concurrent resolution (S. Con. Res. 26) providing for the continued operation of the Government tin smelters at Texas City, Tex., was considered and agreed to, as follows:

Resolved by the Senate (The House of Representatives concurring). That it is the sense of Congress that, pursuant to the provisions and authority of Public Law 125, 80th Congress, as amended, the Government tin smelter at Texas City, Tex., shall be continued in operation until June 30, 1956, and so long thereafter as may be hereafter authorized by the Congress.

SEC. 2. The President is hereby requested to have conducted a study and investigation for the purpose of recommending the most feasible methods of maintaining a permanent domestic tin-smelting industry in the United States; and, in connection with such study and investigation, the Federal Facilities Corporation, or any other designee of the President, is requested to show the plant and facilities to any interested persons and to provide them with all necessary and appropriate information within the limits of security considerations upon which to base appraisals and to formulate proposals to the Government for the future operation of the smelter by the Government or under private lease or ownership arrangements.

SEC. 3. The President is requested to report to the Congress prior to March 31, 1956, the findings of this study and his recommendations with respect to the future operation of the tin smelter.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to insert in the body of the RECORD a brief statement prepared by me concerning Senate Concurrent Resolution 26.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHNSON OF TEXAS

I strongly urge passage of Senate Concurrent Resolution 26.

This resolution proposes to continue operation of the Government tin smelter at Texas City, Tex., until June 30, 1956, and thereafter as authorized by Congress.

The resolution also requests the executive branch to conduct a study in order to be prepared to present to the Congress recommendations regarding the most feasible methods of maintaining a permanent domestic tin-smelting industry in the United States—whether under Government ownership or private ownership.

Unless this resolution is enacted, operation of the tin smelter will end on June 30 of this year. This, I am convinced, would be contrary to our national interests.

The United States is in this position: It is the largest single consumer of tin in the world; it must depend on foreign sources for virtually its entire supply of tin.

There is only one tin smelter in the Western Hemisphere—that in Texas. There is only one principal source of tin ore in the Western Hemisphere—Bolivia.

These two facts are of great significance, taken in conjunction with each other.

For the sake of our national security; as an aid to maintaining the free economy of the nation of Bolivia; and to lessen the risk of our being subjected to price gouging by those controlling foreign tin supplies, continued operation of the North American tin smelter using South American tin ore is essential.

I urge that the Senate adopt the resolution approved by the Committees on Armed Services and Banking and Currency.

The PRESIDING OFFICER. That completes the regular call of the calendar. The bill passed to the foot of the calendar will be stated.

EMERGENCY ASSISTANCE TO FARMERS AND STOCKMEN

The bill (S. 1372) to amend the act of April 6, 1949, to extend the period for emergency assistance to farmers and and stockmen was announced as next in order.

Mr. POTTER. Mr. President, I have some remarks to make which are not related to the bill.

Mr. JOHNSON of Texas. Mr. President, I ask the Senator from Michigan if he will withhold his remarks. There are only two more bills remaining on the calendar.

Mr. POTTER. Mr. President, I shall be happy to do so.

Mr. HRUSKA. Mr. President, with reference to Senate bill 1372 there is in course of preparation language which will permit of the imposition of a time limitation with reference to supplementary loans.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1372) to amend the act of April 6, 1949, to extend the period for emergency assistance to farmers and stockmen.

Mr. ELLENDER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Louisiana.

The LEGISLATIVE CLERK. On page 1, line 10, it is proposed to strike out the first period and insert a comma, and the following: "but no such loans shall be made in any event after July 14, 1959."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 2 (c) of the act of April 6, 1949, as amended, is further amended by striking the word "two" from the first sentence of said subsection and inserting the word "four" and by adding after the first sentence of the said subsection the following new sentence: "After the expiration of the period specified herein, such loans may be made only for supplementary advances to producers indebted for loans made under this subsection, but no such loans shall be made in any event after July 14, 1959."

RELIEF FOR FARMERS AND FARM WORKERS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of order No. 210, Senate bill 1628, to provide relief for farmers and farm workers suffering crop losses or loss of employment because of damage to crops caused by drought, flood, hail, frost, freeze, wind, insect infestation, plant disease, or other natural causes.

There being no objection, the Senate proceeded to consider the bill (S. 1628)

which had been reported from the Committee on Agriculture and Forestry with amendments.

Mr. RUSSELL. Mr. President, I understand the committee amendments have been agreed to. The bill vests the Secretary of Agriculture with power to proceed in cases of disaster such as are outlined in the bill. There is nothing compulsory on the Secretary. Being wholly a discretionary measure, I hope there will be no objection to it.

Mr. JOHNSTON of South Carolina. Mr. President, this bill would provide relief to producers in areas suffering natural disasters by permitting the Secretary of Agriculture to allot them additional acreage for the production of commodities subject to production controls. The disaster which gave rise to this bill was the freeze which occurred in many States in late March. Producers, farm workers, and others in these areas will suffer severe hardship if substitute crops cannot be planted. In many cases the planting of substitute crops is prevented by acreage allotments, and this bill would provide a measure of relief in those cases.

The committee amendments, first, make it entirely discretionary with the Secretary as to the amount of relief, if any, to be accorded to any and all producers; and, second, strike out a provision requiring additional allotments to provide all farmers with a livelihood.

The additional acreage allotted under the bill for any crop for any year would be limited to the smaller of first, 500,000 acres or second, 3 percent of the national allotment for such crop.

Mr. AIKEN. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. AIKEN. May I ask the Senator from South Carolina if the bill as reported from the committee is agreeable to him.

Mr. JOHNSTON of South Carolina. All of the amendments have been adopted, and the matter is left discretionary with the Secretary.

Mr. AIKEN. It is discretionary, not mandatory. Is that correct?

Mr. JOHNSTON of South Carolina. That is correct.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment, the question is on the engrossment and third reading of the bill.

The bill (S. 1628) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc.,—

CONGRESSIONAL FINDINGS

SECTION 1. The Congress hereby finds (1) that crop losses due to drought, flood, hail, frost, freeze, wind, insect infestation, plant disease, or other natural causes result in severe hardship, suffering, and economic loss, not only in the case of operators of farms but in the case of their tenants and employees as well; (2) that, by reason of acreage limitations or other production controls, farmers suffering such losses are often prevented from planting other crops to replace those lost or damaged; (3) that as a result thereof agricultural workers and other persons dependent on such crops for a livelihood are forced to seek other employment thus caus-

ing dislocation of populations and other trends which tend to unbalance existing ratios between rural and urban populations; (4) that the economies of the areas affected are thereby disrupted and the economy of the entire Nation adversely affected.

STATEMENT OF PURPOSES

SEC. 2. It is the purpose of this act to alleviate hardship, suffering, and economic losses resulting from disastrous loss or damage to agricultural crops due to natural causes, and to prevent serious dislocation of populations, and other adverse effects on the economies of the areas affected and the Nation, by making possible the planting of additional acreage of other crops which will in part replace those destroyed or damaged and thus provide a livelihood for farm operators and workers who would otherwise be forced to seek other means of support for themselves and their families.

INCREASE IN ACREAGE ALLOTMENTS

SEC. 3. (a) Whenever the Secretary of Agriculture determines—

(1) that in any area any agricultural crop which is important to the economy of such area has been destroyed or severely damaged by drought, flood, hail, frost, freeze, wind, insect infestation, plant disease, or other natural cause; and

(2) that, except for acreage limitations or other production controls, other crops could be planted to replace or supplement the crop destroyed, or damaged, the Secretary, upon application by the operator of any farm within such area, may cause to be allotted to such farm additional acreage for the planting of any such crop in such amount as the Secretary determines to be advisable to carry out the purposes of this act.

(b) The aggregate of the additional acreage allotted for any crop year under this section for the planting of any agricultural commodity shall not exceed (1) 500,000 acres, or (2) 3 percent of the national acreage allotment for such commodity for such year, whichever is smaller.

ADDITIONAL ACREAGE NOT TO BE CONSIDERED FOR PURPOSE OF FUTURE ALLOTMENTS

SEC. 4. The additional acreage authorized to be allotted to farms under this act for any year shall be in addition to the county, State, and national acreage allotments for such year. Such additional acreage shall not be taken into account in establishing future State, county, and farm acreage allotments.

DEFINITION OF AGRICULTURAL CROP

SEC. 5. As used in this act, the term "agricultural crop" means any crop of a product of the soil, including horticultural crops.

TERMINATION DATE

SEC. 6. This act shall cease to be in effect on June 1, 1958.

Mr. WILLIAMS subsequently said: Mr. President, earlier today the Senate passed Senate bill 1628, Calendar No. 210, a bill to provide relief of farmers and farmworkers suffering crop losses or loss of employment because of damage to crops caused by drought, flood, hail, frost, freeze, wind, insect infestation, plant disease, or other natural causes. I had filed an objection to the bill, but it was inadvertently overlooked. Therefore, Mr. President, at this time I enter a motion to reconsider the vote by which Senate bill 1628 was passed.

The PRESIDING OFFICER. The motion to reconsider will be entered.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. JOHNSON of Texas. I do not know that the objection of the Senator from Delaware to the bill was overlooked, because the able members of the minority calendar committee objected to consideration of the bill when it was called on the calendar. However, at the conclusion of the calendar call, the majority leader asked that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 1628, Calendar No. 210; and it was under that procedure that the bill was passed.

Of course, the Senator from Delaware is perfectly within his rights in submitting the motion to reconsider; but the majority leader hopes that at the conclusion of action tomorrow on the agricultural appropriation bill, it will be agreeable to the authors of Senate bill 1628 and to the distinguished Senator from Delaware to have the Senate proceed to act on his motion to reconsider the vote by which the bill was passed. If that is agreeable, I should like to have the RECORD so show at this time, so that Members may be on notice that this question is likely to come up then.

Mr. WILLIAMS. That is agreeable to me, and I wish to have this understanding, because I understand there is a possibility that the Finance Committee will be in session tomorrow afternoon, in which event, before my motion is taken up, I would wish to be notified. I shall be in the city. If we can be notified in advance, I shall be glad to cooperate with the Senator from Texas in having the motion brought up.

Mr. JOHNSON of Texas. Then let the Senate be on notice, first, that the Senator from Texas assumes the responsibility of notifying the Senator from Delaware that consideration of the agricultural appropriation bill will be followed by consideration of his motion to reconsider the vote by which Senate bill 1628 was passed. We hope his motion will be taken up by the Senate late tomorrow afternoon or else on Wednesday, depending on the time the Senate consumes in acting on the agricultural appropriation bill.

If the majority leader had known earlier today that the Senator from Delaware wished to be notified when the Senate proceeded to consider Senate bill 1628, the majority leader would certainly have notified him. But the Senator from Texas knows that the Senator from Delaware does not contend that Senators on this side of the aisle failed to carry out any such agreement.

Mr. WILLIAMS. No; but I did not understand that the bill was to be considered today.

Except for any other understanding the majority leader may have, I would be willing to have my motion considered this afternoon. But in view of the understanding which has been had, I am willing to have my motion go over until tomorrow, although I do not wish to agree that consideration of the motion will follow the Senate's action tomorrow on the agricultural appropriation bill.

Mr. JOHNSON of Texas. The Senator from Delaware may be assured that the Senator from Texas will personally notify him before a motion to take up his motion for reconsideration is made.

Mr. WILLIAMS. And I will notify the Senator from Texas, too.

Mr. SALTONSTALL. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS. I yield.

Mr. SALTONSTALL. I wish to say that when Senate bill 1628 was passed over, during the call of the calendar, as acting majority leader I discussed the bill with both Senators on the minority calendar committee, who approved having the bill brought up later, following the calendar call; and I also discussed the bill with the ranking minority member of the Committee on Agriculture and Forestry. I understood from them that there was no objection to the bill, with the amendments which are now in it. That is the reason I did not object when the majority leader asked for the consideration of the bill following the call of the calendar.

Mr. JOHNSON of Texas. Mr. President, I thoroughly understand the position of the Senator from Delaware. I think it is a position which was apparently not known to any Member of the Senate when the bill was being considered.

The distinguished chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER] stated to the majority leader that the bill had been reported unanimously. The minority calendar committee objected to the consideration and passage of the bill on the call of the calendar. The Senate then proceeded to consider it after the call of the calendar had been concluded. Several Senators spoke on the bill. Every Senator had an opportunity to speak. The distinguished Senator from Delaware was occupied in a very important meeting of the Finance Committee and was not aware that the bill was being considered at that time. He is perfectly within his rights to move to reconsider.

All the majority leader wishes to do is to serve notice on the Senator from Delaware and other Members of the Senate that as soon as the unfinished business, namely, the agricultural appropriations bill, is disposed of, it is proposed to proceed to the consideration of the motion of the Senator from Delaware. The Senator from Texas will assume the responsibility of personally notifying the Senator from Delaware when that is done.

BILL PASSED OVER

Mr. DOUGLAS. Mr. President, is the Senate now to consider Calendar 211, Senate bill 1079, to provide for the sale of certain lands in the national forests?

Mr. JOHNSON of Texas. That bill has been passed over.

The PRESIDING OFFICER. That bill has gone over to the next call of the calendar.

AMENDMENT OF RICE MARKETING QUOTA PROVISIONS OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to consider Order 213, H. R. 4647, to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 4647) which had been reported from the Committee on Agriculture and Forestry, with amendments on page 1, line 8, to strike out "five per centum" and insert "2 per centum or by such greater acreage as may be necessary to provide such State with an allotment equal to its 1950 allotment," and in line 11, after the word "for," to strike out "1955" and insert "1955 (i)."

On page 2, line 4, after the word "acreage", to insert a comma and "and (ii) the 1955 allotment for any county in which the 1950-1954 average planted plus diverted acreage of rice, adjusted for trends in acreage, exceeds the 1945-1949 average planted acreage of rice, similarly adjusted, by more than 2 per centum shall be further increased by such additional acreage as may be necessary to provide such county with an allotment equal to its 1950 allotment."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a brief explanation of the bill.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF H. R. 4647

This bill, with the committee amendments, would make several increases in 1955 rice-acreage allotments. First, it would increase each State allotment by 2 percent. Second, it would provide each State, and each of those counties whose base acreage had risen 2 percent since 1950, with a minimum 1955 allotment, equal to its 1950 allotment. Third, it would increase each State reserve for new producers and new farms to a minimum of 500 acres.

The purpose of the bill is to relieve hardship resulting from the sharp reduction in rice acreage required by the 1955 allotment. In an effort to take care of the various hardships which have arisen in the various rice-growing areas the committee has proposed amendments which incorporate the substance of Senate bills 1061 and 882, which provide respectively for the State and county minimum allotments just described. As shown in the committee report the areas which would benefit from these minimum provisions have increased their acreage devoted to rice production since the base period applicable to 1950, but now would receive sharp cuts below their 1950 allotments

because of the expansion of rice production in other areas.

In order to avoid unduly increasing the national rice acreage the committee amendments would also reduce to 2 percent the 5 percent general increase in State allotments provided by the bill as it passed the House.

The provision for increasing the State reserve is of particular significance in South Carolina where the two price producers have established a rice mill. These producers have previous production history in Georgia and Texas but not in South Carolina. Unless they can obtain a reasonable 1955 allotment on a new farm basis they may be forced to move their rice mill to Texas. This would cause difficulties for all rice producers served by the mill.

Mr. SALTONSTALL subsequently said:

Mr. President, I should like to ask the distinguished senior Senator from Louisiana who is chairman of the Committee on Agriculture and Forestry, a question. Were the amendments to H. R. 4647, Calendar No. 213, unanimously agreed to by the committee; and was the bill with the amendments as reported by the committee the bill which was passed today?

Mr. ELLENDER. The answer to the Senator's question is in the affirmative.

Mr. SALTONSTALL. Then, as I understand, the amendments were unanimously agreed to.

Mr. ELLENDER. Yes. There was no opposition to this bill being reported.

Mr. SALTONSTALL. I thank the Senator from Louisiana.

APPROPRIATIONS FOR THE DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Is the unfinished business now the agricultural appropriation bill, Calendar No. 220, House bill 5239?

The PRESIDING OFFICER. That bill has been made the unfinished business.

ORDER OF BUSINESS

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Minnesota will state it.

Mr. HUMPHREY. What happened to Calendar No. 216, H. R. 4356; Calendar No. 217, S. 153; Calendar No. 218, H. R. 1573; and Calendar No. 219, Senate Concurrent Resolution 26?

Mr. JOHNSON of Texas. By unanimous consent, the bills which have just been passed were called up after having been placed at the foot of the calendar. The minority calendar committee had asked that they go to the foot of the calendar until amendments could be drafted.

Mr. HUMPHREY. I was detained in the Committee on Foreign Relations and was not aware of the progress which had been made with the call of the calendar.

Mr. JOHNSON of Texas. Calendar No. 217, S. 153, and Calendar No. 218, H. R. 1573, were called but were passed over. Senate Concurrent Resolution 26 was agreed to.

Mr. HUMPHREY. Were S. 153 and H. R. 1573 placed at the foot of the calendar or were they objected to?

Mr. ELLENDER. They were objected to.

Mr. STENNIS. Since the Senator from Minnesota was not present when those bills were called, I may state that I was the Senator who, through the distinguished Senator from Nevada [Mr. BIBLE], interposed objection to Calendar No. 217, S. 153, a bill to amend the Rural Electrification Act of 1936. I shall be glad to discuss that bill with the Senator from Minnesota.

The PRESIDING OFFICER. The Chair wishes to advise the Senator from Minnesota that Calendar No. 216, H. R. 4356, to amend the Agricultural Adjustment Act of 1938, with respect to rice allotment history, was passed, and Calendar No. 219, Senate Concurrent Resolution 26, providing for the continued operation of the Government tin smelters at Texas City, Tex., was agreed to.

Calendar No. 217, S. 153, to amend the Rural Electrification Act of 1936, and Calendar No. 218, H. R. 1573, to repeal section 348 of the Agricultural Adjustment Act of 1938, were passed over to the next call of the calendar.

Mr. HUMPHREY. I thank the Chair.

Mr. HOLLAND. Mr. President, I desire to advise the Senator from Minnesota that I interposed objection to the passage of Calendar No. 218, H. R. 1573, but that I expect the bill to be considered by the Senate at an early date. The Senate may wish to consider it at this time, but I have objected to its passage on the call of the calendar.

Mr. HUMPHREY. Mr. President, I express the hope that before the end of the day, I may be able to have a personal conference with my good friend, the Senator from Mississippi [Mr. STENNIS] in reference to Calendar No. 217, S. 153 and with my good friend, the Senator from Florida [Mr. HOLLAND] on Calendar No. 218, H. R. 1573, to see if action cannot be taken on those bills.

Mr. HOLLAND. Mr. President, I dislike to dash the hopes of such a young and good-looking man as the distinguished Senator from Minnesota—

Mr. HUMPHREY. I thank the Senator from Florida.

Mr. HOLLAND. But so far I am concerned, I am not prepared to discuss H. R. 1573 today.

Mr. HUMPHREY. Then it may be necessary to return to a consideration of S. 153, Calendar No. 217.

Mr. LEHMAN. Mr. President, has the call of the calendar been completed?

The PRESIDING OFFICER. The call of the calendar has been completed.

The unfinished business is Calendar No. 220, H. R. 5239, making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1956, and for other purposes.

SALE OF CERTAIN LANDS IN THE NATIONAL FORESTS

Mr. JOHNSON of Texas. Mr. President, before Senators begin to make speeches, I understand that the distinguished Senator from Vermont [Mr. AIKEN] desires to return to the consideration of Calendar No. 211, S. 1079, to provide for the sale of certain lands in the national forests.

Mr. AIKEN. Mr. President, I have been speaking with the distinguished senior Senator from North Carolina [Mr. ERVIN] who had a very legitimate objection to the passage of the bill on the consent calendar.

Mr. JOHNSON of Texas. May I ask the Senator from Vermont if my understanding is correct that he is referring to Calendar No. 211, S. 1079?

Mr. AIKEN. The Senator is correct. I wish to explain that the Committee on Agriculture and Forestry acted rather hurriedly on the bill and took more out of it than it should have. It is my purpose to restore certain language that should be contained in the bill.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate return to the consideration of Calendar 211, S. 1079, to provide for the sale of certain lands in the national forests.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 1079) to provide for the sale of certain lands in the national forests.

Mr. JOHNSON of Texas. Mr. President, I suggest to the Senator from Vermont that, if he will offer his amendment, the Senate can now take action on it.

Mr. AIKEN. I have an amendment prepared by the committee counsel. The committee amendment struck out, on line 7, after the word "strip", the following: "or (2) lands immediately adjacent to urban areas, when he finds such lands suitable for private ownership and better adapted to commercial, agricultural, residential, or other private purposes than to national forest purposes."

The last three lines of the bill should remain as they were originally printed. The Secretary of Agriculture would thus be required to make a finding that such lands were suitable for private ownership. The last three lines read: "when he finds such lands suitable for private ownership and better adapted to commercial, agricultural, residential, or other private purposes than to national forest purposes."

The bill is intended to apply only to little strips of land isolated from the national forests and which, in effect, are a nuisance to administer. The bill would direct the Secretary of Agriculture to dispose of such land.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The LEGISLATIVE CLERK. On page 1, line 6, it is proposed to strike out "(1)."

May 2, 1955

15. WHEAT ALLOTMENTS; PRICE SUPPORTS. Sen. Humphrey urged farmers to vote for continuing wheat acreage allotments, stating that the hardship confronting farmers in the choice put before them in this year's referendum is the result of invoking flexible price supports; inserted several articles on this subject; and spoke in favor of his bill, S. 1396, to create a Conservation Acreage Reserve (pp. 4487-8).
16. FOOD; RAW MATERIALS. Sen. Murray spoke in favor of measures to establish a World Food Bank and to create an International Food and Raw Materials Reserve (p. 4485).
17. ROADS. The Subcommittee on Roads, Public Works Committee, ordered reported to the full committee with amendments, S. 1048, authorizing appropriations for continued Federal aid to highway construction (pp. D357-8).
Received a Calif. Legislature resolution urging a program for the extension of Federal aid for construction and improvement of highways necessary for civil defense purposes (p. 4470).
Sen. Wiley inserted and commended a New York Journal-American article describing the formation of a new organization, "Highways for Survival Committee" (pp. 4511-2).
18. EXPORT-IMPORT BANK. Received a report of the Export-Import Bank of Washington covering the period July-December 1954 (p. 4470); to Banking and Currency Committee.
19. FHA. Received from the Comptroller General an audit report on the Farmers Home Administration for the fiscal years 1952 and 1953; to Government Operations Committee (p. 4470).
20. GRAIN STORAGE. Received from the N. Dak. legislature a resolution directing the legislative research committee to study the laws of N. Dak. relating to mill storage practices and to recommend improvements in such laws and the enforcement thereof (pp. 4470-1).
21. TREATIES. Received various resolutions, etc., favoring enactment of the Bricker amendment, limiting the President's treaty-making power (p. 4471).
22. PERSONNEL; EXPENDITURES. Sen. Byrd submitted a Joint Committee on Reduction of Nonessential Federal Expenditures report on civilian employment in the executive branch of the Federal Government for March 1955. This report is printed in the Record, together with Sen. Byrd's statement (pp. 4472-5).
23. SOIL CONSERVATION. Sen. Holland (for himself and others) submitted amendments intended to be proposed to H. R. 1573, to repeal ACP-acreage allotments tie-in (p. 4480).
24. LEGISLATIVE PROGRAM. Majority Leader Johnson stated, "...I hope the Senate will be able to take final action this week on the bill extending the Trade Agreements Act, and also on the Interior Department Appropriation bill, as a minimum for the week" (p. 4520).
on April 26
25. PERSONNEL. The Rules and Administration Committee reported/with additional amendments S. Res. 33, to direct the Post Office and Civil Service Committee to investigate the Civil Service Commission and the Post Office Department (S. Rept. 238). The Senate Bill Clerk has informed us that the April 25 Congressional Record item, stating that this resolution was agreed to by the Senate on that date, is in error.

ITEMS IN APPENDIX

26. WIND EROSION; RESEARCH. Extension of remarks of Rep. Avery commending soil and wind erosion programs of the Department, suggesting recommendations for control of damages and urging more soil conservation research (pp. 4525, A2887-8).
27. TRANSPORTATION. Rep. Mailliard inserted 3 newspaper editorials commending the Hoover Commission report on Federal transportation operations (pp. A2892-3).
28. FORESTRY. Rep. Johnson, Wis., inserted Chas. H. Collins', Nat'l Wildlife Federation, letter urging cooperation between Federal and State authorities with reference to transfer of land for use as a conservation area for prairie grouse (p. A2893).
Extension of remarks of Rep. Mathews commending the Forest Service on its 50th anniversary (pp. A2922-3).
Rep. Hagen inserted a Bakersfield Californian editorial urging additional funds for Forest Service recreational programs (pp. A2937-8).
29. TEXTILES. Rep. Lane inserted a Standard-Times (New Bedford, Mass.) editorial, "A Southerner Looks at the Textile Tariff Cut--Why is U. S. Textile Industry Considered Expendable," discussing the problems of the textile industry (pp. A2900-2).
30. FOREIGN AID. Extension of remarks of Rep. Siler criticizing continued foreign aid programs and outlining some of the reasons "why further foreign aid is futile" (pp. A2902-4).
Rep. Smith, Wis., inserted a Wall Street Journal article opposing the President's proposed foreign aid program and stating that "this kind of program is a luxury this country demonstrably cannot afford" (p. A2919).
31. PRICE SUPPORTS. Rep. Wolcott inserted correspondence he had with the Department in which he expressed concern "about the situation in support prices that may or may not affect the farmers in my district" (pp. A2904-5).
Rep. Metcalf inserted telegrams from his constituents emphasizing the relationship between labor's minimum wage bill and H. R. 12, the 90-percent price support bill (p. A2938).
Rep. Hagen inserted a Bakersfield Californian editorial, "New Cotton Support Plan is Favored," stating that "the new plan would lower the price support level but permit larger planting allotments" (pp. A2939-40).
32. RECLAMATION. Extension of remarks of Rep. Engle favoring increased Federal investment in reclamation projects and outlining "evidence of the real and lasting value of Federal reclamation" (pp. A2912-3).
33. FARM PRICES. Sen. Humphrey inserted a Farmers Union Herald editorial, "Secretary Benson's Dilemma," criticizing the "forced" cutbacks in production, lower farm prices, and the flexible price-support program (pp. A2927-8).
34. ELECTRIFICATION. Extension of remarks of Rep. Engle criticizing the administration's power policy and discussing some of the effects it would have on the Central Valley project (pp. A2919-20).

Calendar No. 218

84TH CONGRESS
1ST SESSION

H. R. 1573

IN THE SENATE OF THE UNITED STATES

MAY 2, 1955

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. HOLLAND (for himself, Mr. AIKEN, Mr. ANDERSON, and Mr. WATKINS) to the bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938, viz: Strike out all after the enacting clause and insert in lieu thereof the following:

1 That section 348 of the Agricultural Adjustment Act of
2 1938, as amended, is amended, effective with respect to
3 1955 and subsequent crops, to read as follows:

4 “SEC. 348. (a) Any person who knowingly harvests
5 an acreage of any basic agricultural commodity on his
6 farm which has been determined by the Secretary to be
7 in excess of the farm acreage allotment for such commodity

1 for the farm for such year under this title shall not be eligible
2 for any payment for such year under the Soil Conservation
3 and Domestic Allotment Act, as amended. For the pur-
4 poses of this section, no person shall be deemed to have
5 harvested any acreage of any basic agricultural commodity
6 in excess of his farm acreage allotment by reason of harvest-
7 ing corn for ensilage, harvesting wheat in an amount not
8 in excess of fifteen acres, harvesting a commodity or a crop
9 with respect to which producers have rejected marketing
10 quotas in a marketing-quota referendum, or harvesting pea-
11 nuts for seed to be used for the raising of peanuts to be
12 hogged off.

13 “(b) Persons applying for any payment of money
14 under the Soil Conservation and Domestic Allotment Act,
15 as amended, shall be required to establish their eligibility
16 for such payment under this section in such manner as
17 the Secretary may prescribe by regulation.”.

Amend the title so as to read: “An Act to amend sec-
tion 348 of the Agricultural Adjustment Act of 1938.”

84TH CONGRESS
1ST SESSION

H. R. 1573

AMENDMENTS

Intended to be proposed by Mr. HOLLAND (for himself, Mr. AIKEN, Mr. ANDERSON, and Mr. WATKINS) to the bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938.

MAY 2, 1955

Ordered to lie on the table and to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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For actions of

May 4, 1955
May 3, 1955
84th-1st, No. 72

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HIGHLIGHTS: House debated price support bill. House committee ordered reported bill for Federal loans for non-Federal reclamation projects. Senate debated trade agreements bill. Sen. Symington criticized Mo. ASC committee. Sen. Aiken introduced and discussed bill to cooperate with States in reforestation.

HOUSE

1. PRICE SUPPORTS. Began debate on H. R. 12, to provide for 90% price supports on basic commodities. General debate was concluded, and the bill is to be read for amendment today. (pp. 4539-94.)
2. PERSONNEL. Agreed to H. Con. Res. 121, requesting the President to return for correction S. 1094, to clarify the Federal Employees' Uniform Allowance Act (pp. 4594-5).
3. CCC CLAIMS. Transferred from the Agriculture Committee to the Banking and Currency Committee H. R. 2137, 2872, 2007, 694, and 845, to relieve from CCC claims persons who innocently purchase converted fungible goods (p. 4594).
4. RESERVE MANPOWER. The Rules Committee reported a resolution for consideration of H. R. 5297, the military reserve manpower bill (p. 4538).
5. ANIMAL DISEASE. The Agriculture Committee ordered reported H. R. 4576, to provide for certain indemnity payments in Iowa on account of vesicular exanthema which could not be made because of a technicality (p. D367).
6. DROUGHT RELIEF. The Agriculture Committee considered but postponed action on H. R. 4176, to provide that feed furnished in disaster areas shall be made available for working stock and hogs (p. D367).

7. CIVIC AUDITORIUM. The Rules Committee reported a resolution for consideration of H. R. 1825, creating a commission to plan a D. C. civic auditorium (p. 4609).
8. RECLAMATION; LOANS. The Interior and Insular Affairs Committee ordered reported H. R. 5881, to provide for Federal cooperation in non-Federal reclamation projects and for non-Federal cooperation in Federal projects (p. D368).
9. SALT-WATER RESEARCH. The Rules Committee ordered reported a resolution for consideration of H. R. 2126, to expand the salt-water research program (p. D368).
10. IMPORTS. The Ways and Means Committee ordered reported H. R. 5560, making permanent the existing privilege of free importation of personal and household goods under Government orders, and H. R. 5675, continuing through June 1958 the suspension of import taxes on copper (p. D369).
11. POSTAL PAY. The conferees agreed to report a revised version of S. 1, the postal pay bill (pp. D369-70).
12. SURPLUS COMMODITIES. The revision of H. R. 2851, as ordered reported by the House Agriculture Committee, provides as follows: Requires CCC to make available to HEW, for providing emergency assistance to the needy, agricultural commodities and products (including cereals and cereal products) acquired through price support operations. Authorizes CCC to pay processing and other charges up to the time of delivery to central locations in States. Upon certifications of the Labor Department and the Governors as to need, directs HEW to make such commodities and products available to State agencies. Provides that CCC make Sec. 416 commodities available without compensation and that HEW reimburse CCC for other commodities at the acquisition cost or current support price (whichever is lower) plus the costs of processing, etc. Provides that CCC expenditures under this bill may be made in advance of appropriations and shall be entered as accounts receivable.
13. EXPORT-IMPORT BANK. H. Doc. 150 (Apr. 28) is a proposed increase in the amount of \$300,000 in the limitation on expenses (to provide for additional staff and other expenses required for a growing workload) for the fiscal year 1956 for the Export-Import Bank of Washington.

14. SOIL CONSERVATION. The amendments by Sen. Holland and others to H. R. 1573, to repeal the ACP-acreage allotments tie-in, (see Digest 71), would exempt from the present ACP-acreage allotments tie-in farmers harvesting corn for ensilage, wheat in an amount not in excess of 15 acres, a commodity or a crop on which producers have rejected marketing quotas in a referendum, or peanuts for seed to be used for the raising of peanuts for hogs. The amendments would also require applicants to establish their eligibility for payments in such manner as the Secretary may prescribe by regulation.

SENATE

15. TRADE AGREEMENTS. Continued debate on H. R. 1, the trade agreements extension bill (pp. 4620-1, 4631, 4634-43, 4645-97), and agreed to limit debate on bill and that no nongermane amendment will be received (p. 4621). Sens. Beall, Morse, O'Mahoney, and Humphrey submitted amendments to be proposed to this bill.

During debate on this bill Sen. Malone stated that "H. R. 1 is an economic Yalta," and that, "Farmers, too, will be an early target of the global free trade agency, as will producers of milk, butter, cheese, and other farm commodities" (pp. 4648-51). Sen. Malone also spoke in favor of giving

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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84th-1st, No. 79

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HIGHLIGHTS: Senate debated bill to repeal ACP tie-in with acreage allotments (pp. 5347-64, 5372-4).

SENATE

1. SOIL CONSERVATION; ACREAGE ALLSTMENTS. Began debate on H. R. 1573, to repeal the provisions prohibiting ACP payments to persons who do not adhere to acreage allotments on basic crops (pp. 5345, 5347-64, 5372-4).
2. ROADS. The Public Works Committee reported with amendment S. 1048, to amend and supplement the Federal-Aid Road Act by authorizing appropriations for continuing the construction of highways (S. Rept. 350) (p. 5322). Sens. Johnson, Case (S. Dak), Thyne, and others discussed the provisions of the committee bill, and Sen. Johnson stated he intended to schedule the bill for consideration either May 20 or May 23 (pp. 5330-2).
3. RURAL ELECTRIFICATION. Authorized the statements made by Senators on the 29th anniversary of REA to be printed as S. Doc. 42 (p. 5323).
Discussed and, at the request of Sen. Ervin, passed over S. 153, to amend the Rural Electrification Act so as to eliminate the requirement that not more than 10% of the loans may be made in any one State. Majority Leader Johnson announced that this bill will be considered on Tuesday "if an agreement can be worked out over the week-end." (p. 5339).
4. PRICE SUPPORTS; COFFEE; STATEHOOD. Received an Ala. Legislature resolution favoring 90 percent price supports for basic commodities; and Hawaii Legislature resolutions recommending the inclusion of coffee under the parity payment program and requesting legislation to provide statehood for Hawaii (pp. 5318-9).
5. WATER CONSERVATION. Sen. Schoepel inserted a city of Lawrence, Kans., resolution requesting Congress to take the necessary action to "assure the continuance of surveys and planning and the construction of projects as recommended and authorized by the Soil Conservation Service." (p. 5320).

6. DAIRY PRODUCTS; FAMILY-SIZE FARM; PRICE SUPPORTS; RURAL TELEPHONES. Sen. Langer inserted a series of Farmers Union Central Exchange, Inc., resolutions requesting that dairy products be included as a basic commodity, supporting the basic principles of family-size farm legislation, requesting the return to 90 percent price supports for basic commodities, and favoring expansion of the rural telephone program (pp. 5321-2).
7. WOOL. Sen. Morse inserted several telegrams from his constituents opposing any amendments to the Wool Act which would in "any way jeopardize cooperatives," and he and Sen. Anderson discussed this subject (p. 5366).
8. FARM-HOUSING LOANS. The Labor and Public Welfare subcommittee ordered reported to the full committee, without amendment, H. R. 5106, to amend the Servicemen's Readjustment Act so as to authorize loans for farm housing to be guaranteed or insured under the same terms and conditions as apply to residential housing (p. D413).
9. ADJOURNED until Tues., May 17 (p. 5374), when it will continue debate on H. R. 1573, to repeal ACP tie-in with acreage allotments, probably to be followed by S. 153, to amend the REA lending formula (p. D414).

HOUSE

10. LANDS. An Interior and Insular Affairs subcommittee approved for reporting to the full committee H. R. 1844, as amended, to amend acts authorizing agricultural entries under the nonmineral land laws of certain mineral lands in order to increase the limitation with respect to desert entries made under such act; and H. R. 4894, to repeal laws authorizing sale of public lands which are valuable chiefly for timber and stone (p. D413-4).

BILLS INTRODUCED

11. TRANSPORTATION. S. 1960, by Sen. Schoeppel, to amend part III of the Interstate Commerce Act, so as to authorize the Interstate Commerce Commission to revoke, amend, or suspend water-carrier certificates and permits under certain conditions; to Interstate and Foreign Commerce Committee (p. 5323).
S. 1966, by Sen. Bricker, to amend the Interstate Commerce Act to provide for filing of documents evidencing the lease, mortgage, conditional sale, or bailment of motor vehicles sold to or owned by certain carriers subject to such act; to Interstate and Foreign Commerce Committee (p. 5323).
12. FLOOD CONTROL. S. 1963, by Sen. Chavez, to provide for the operation and maintenance of certain flood-control projects by local interests; to Public Works Committee (p. 5323).
13. CROP INSURANCE. S. 1967, by Sen. Langer, to amend the Federal Crop Insurance Act; to Agriculture and Forestry Committee (p. 5323).
14. WOOL; COOPERATIVES. S. 1980, by Sen. Anderson, to amend section 708 of Public Law 690 of the 83d Congress, 2d session (the Agriculture Act of 1954); to Agriculture and Forestry Committee (p. 5323). Remarks of author (p. 5372).

ITEMS IN APPENDIX

15. LANDS. Sen. Thurmond inserted a Columbia State editorial stating that when additional cropland is needed, S. C. has 400,000 acres of coastal plains that could be reclaimed (p. A3299).

BASIL THEODOSSIOU

The bill (H. R. 2354) for the relief of Basil Theodossiou was considered, ordered to a third reading, read the third time, and passed.

ELIZABETH ANN GIAMPIETRO

The bill (H. R. 2361) for the relief of Elizabeth Ann Giampietro was considered, ordered to a third reading, read the third time, and passed.

SING FONG YORK

The bill (H. R. 2731) for the relief of Sing Fong York was considered, ordered to a third reading, read the third time, and passed.

BENT PETERSON

The bill (H. R. 2762) for the relief of Bent Peterson was considered, ordered to a third reading, read the third time, and passed.

VICTOR AND IRENE-WANDA GOLDSTEIN

The bill (H. R. 2764) for the relief of Victor and Irene-Wanda Goldstein was considered, ordered to a third reading, read the third time, and passed.

MRS. ELFRIEDE MAJKA GRIFASI

The bill (H. R. 2941) for the relief of Mrs. Elfriede Majka Grifasi was considered, ordered to a third reading, read the third time, and passed.

MRS. IRENE EMMA ANDERSON

The bill (H. R. 2954) for the relief of Mrs. Irene Emma Anderson was considered, ordered to a third reading, read the third time, and passed.

RENE RACHELL LUYSE KUBICEK

The bill (H. R. 4043) for the relief of Rene Rachell Luyse Kubicek was considered, ordered to a third reading, read the third time, and passed.

DR. CRISTJO CRISTOFV, HIS WIFE JORDANA DILOVA CRISTOFV, AND HIS CHILDREN GEORGE AND DAPHNE-KREMENA CRISTOFV

The Senate proceeded to consider the bill (H. R. 957) for the relief of Dr. Cristjo Cristofv, his wife Jordana Dilova Cristofv, and his children George and Daphne-Kremena Cristofv, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 9, after the word "fees", to strike out "and head taxes."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

FEDERICO UNGAR FINALLY

The Senate proceeded to consider the bill (H. R. 1012) for the relief of Federico Ungar Finally, which had been reported from the Committee on the Judiciary with an amendment, in line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

NICHOLS JOHN MANTICAS, ANNE FRANCIS MANTICAS, YVONNE MANTICAS, MARY MANTICAS, AND JOHN MANTICAS

The Senate proceeded to consider the bill (H. R. 1328) for the relief of Nicholas John Manticas, Anne Francis Manticas, Yvonne Manticas, Mary Manticas, and John Manticas, which had been reported from the Committee on the Judiciary with amendments, on page 1, at the beginning of line 5, to strike out "Yvonne Manticas"; and in line 11, after the word "deduct", to strike out "five" and insert "four."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "A bill for the relief of Nicholas John Manticas, Anne Francis Manticas, Mary Manticas, and John Manticas."

BILL AND RESOLUTION PASSED OVER

Mr. ERVIN. Mr. President, with reference to Calendar No. 352, Senate bill 1580, to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government; and Calendar No. 353, Senate Resolution 35, providing for a study of merchant marine training and education in the United States, I ask that those measures be passed over.

The PRESIDING OFFICER. The measures will be passed over.

That completes the call of the calendar.

ELIGIBILITY FOR CONSERVATION PAYMENTS

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate proceeded to consider the bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938.

Mr. ERVIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LEHMAN in the chair). Without objection, it is so ordered.

THE ATOMS FOR PEACE PROGRAM

Mr. PAYNE. Mr. President, when one pauses to reflect on this Nation's recent history, it seems incredible that what we have referred to many times as the cold war has been with us for nearly a decade.

In spite of the fear, the anxiety, and the tensions of the past 10 years, however, our people and peoples all over the world have shown a remarkable vitality and energy. We have learned to live with fear and, at the same time, to shape the tools for a better future for ourselves and our families. History will surely record the splitting of the atom as the most significant achievement in the first half of the 20th century.

Largely because of that momentous development we have come to refer more and more to the struggle between the free world and the Communist world as one of competitive coexistence. Slowly we are beginning to realize that another war, bringing with it a frightful rain of atomic destruction, would be suicidal for all of civilization. We are reaching the point of atomic stalemate. That fact can give us hope for the future. For while the issues of conflict still remain between the free nations and the Communist world, we can hope that atomic developments will act as a deterrent to the unleashing of a third world war.

The alternative to war is coexistence. But, so long as the Communist leaders are bent on achieving world rule, coexistence must remain strongly competitive.

The arsenal of American democracy has many weapons with which to carry on competitive coexistence. The most powerful weapon we have is our sturdy foundation of liberty and democratic ideals. We must be ever vigilant in the defense of those precious liberties and ideals. Only by practicing what we profess to believe can we convince others that we merit support in building the kind of world for which men everywhere long.

In addition to the right to live their lives in their own way, without outside interference, all men look for economic plenty—for a world in which they and their families are well clothed, well housed, and well fed. Here, too, the United States can exercise stirring and dynamic leadership.

Probably the most effective step which the United States has taken in this direction is the implementation of Presi-

dent Eisenhower's atoms-for-peace program.

In the minds of many, America has emerged as a warm and humanitarian nation, interested in peace and plenty for men everywhere. The President's program to harness the atom for peace has done more than any other single action to strike a crippling blow at that Communist propaganda which paints us as a ruthless and warmongering people.

In August the United States will participate with many other nations at an international conference in Geneva to spread information concerning the peaceful uses of the atom. This Conference is the direct outgrowth of the suggestions made by the President before the United Nations nearly a year and a half ago.

The United States has already made a contribution of 220 pounds of uranium 235 to an international pool of fissionable materials for use in encouraging our friends abroad to build their own research reactors. Our Government also plans to build an operating research reactor in Geneva for demonstration purposes at the Conference.

Meanwhile, negotiations are going forward on multilateral agreement which would set up an International Atomic Energy Agency to study new developments in the peaceful uses of the atom.

But this is only a part of the story of how the United States is helping to develop among our friends the technical know-how which can bring the blessings of atomic energy to all men. The Atomic Energy Commission has sent to Italy, Japan, and France comprehensive libraries of unclassified information on the atom, and more libraries are now being prepared for distribution to other friendly nations. Also, 2 of our schools are training 63 scientists and technicians from 29 nations under a Government program to speed the peaceful application of atomic energy.

Two weeks ago, President Eisenhower made the dramatic announcement that he would request funds from Congress for the construction of a nuclear-powered merchant ship which would visit the ports of the world, carrying with it an exhibit on the peaceful uses of the atom. That would be a fitting sequel, indeed, to the construction of the atom-powered submarine, the *Nautilus*. It would be conclusive evidence that our search for peace continues, even while we must remain military strong.

Much has been done and much more remains to be done in our efforts to bring the blessings of peace and scientific development to all men of good will. But President Eisenhower has made a dramatic and successful beginning. He has shifted the spotlight from the horrors of atomic war to the bright new day of atomic peace. He has shown the world that we stand ready to point the way to a better and happier life for all.

Mr. GORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXPOSURE OF "PARTNERSHIP" POWER SCHEME OF ADMINISTRATION

Mr. NEUBERGER. Mr. President, in recent weeks many people with a sincere interest in the program for Columbia River Basin resource development have been led to believe that the beneficial objectives of river development can only be obtained through a "partnership" between the Federal Government and local utilities.

In effect, they have been told by the Eisenhower administration that the Federal Government will not carry through on these authorized projects which are so badly needed to control the floods which ruin their land unless Congress changes its mind and deauthorizes these Federal projects, turning over the profitable power features to local private utilities.

At the same time, a thoroughly false impression is deliberately created that under partnership these projects could spring into being overnight. This callous attempt to force Congress and the people of Oregon to accept a shotgun partnership is a type of political pressure hitherto unheard of on the American scene. Congress has the responsibility of repudiating the administration's pressure tactics.

Fortunately, some of the enlightened editors in my home State of Oregon have taken on the chore of airing publicly the disadvantages and adverse effects of the inadequate partnership proposals. One of the best analyses of the partnership scheme was written by Mr. Byron C. Brinton, editor of the *Baker (Oreg.) Record-Courier*, in the April 28, 1955, issue of his newspaper.

I ask unanimous consent to have Mr. Brinton's editorial, discussing the partnership proposals of this administration, printed in the *RECORD* at this point.

There being no objection, the editorial was ordered to be printed in the *RECORD*, as follows:

THE NEW JOHN DAY BILL

How much is \$100 million?

We refer specifically to the \$109 million bargain which the Portland private utilities would have walked off with had the Coon-John Day partnership bill of 1954 been swallowed. At that time the private utilities would have walked off with the power from John Day Dam for 50 years and we quote from the bill: "The Secretary of the Army is hereby authorized and directed to enter into a contract with local interests providing for (a) the contribution of funds by such interests in the amount of \$164 million."

Under the bill introduced by Congressman Coon at the instance of President Eisenhower and the Portland private utilities last week, the power syndicate would walk off with the 50 years contracts and we again quote—this time from Coon's 1955 bill: "The Secretary of the Army is hereby authorized and directed to enter into a contract or contracts with qualified applicants * * * providing,

among other things, for (1) the payment of funds by such interests in the amount of \$273 million."

In cold hard reality Coon offered a \$320 million dam in 1954 for \$164 million. Other than President Eisenhower, Secretary McKay, Governor Patterson, and a few others, spearheading the Eisenhower giveaway program, there were not many suckers for this private utility scheme in 1954. Now Coon says the utilities are bidding \$273 million for a \$310 million dam. Yet he recommended in 1954 that you and I accept \$164 million.

In 1954 this writer summarized 10 cardinal points—other than the matter of hard cash—which characterized the Coon partnership bill as the most dangerous piece of financial hokus-pokus ever proposed in Congress. An analysis of the 1955 bill reveals that the new bill puts up a warning sign that the depths of its monopoly manipulation go far deeper than even his former bill dreamed.

Let's look at the blind, dark alley the Coon bill leads the Northwest into.

First. Mr. Coon tells the local county assessor he shall not tax the \$273 million. But he didn't tell you in his analysis of the bill.

Second. Mr. Coon tells the State of Oregon it cannot impose the provisions of its hydroelectric act upon his pet private utilities at John Day. Yet he didn't tell you that also is contemplated under the bill.

Third. Mr. Coon tells the private utilities they need not distribute the power widely with preference to residential or rural customers nor in compliance with low-cost provisions of previous power policies. Yet Mr. Coon didn't tell you that was part of the bill. In fact he purposely spoke of the "widest distribution to domestic and rural customers" to purposely mislead the public.

Fourth. Mr. Coon tells the private utilities they can assign, barter, speculate in, and otherwise deal in their power contracts between each other without the slightest control by the landlord himself—the Secretary of the Interior. Mr. Coon doesn't tell you in his analysis that each private utility holds this automatic option upon the other partner private utilities so that the monopoly can grow tighter but can never be broken. The alley is not only dark and blind but is a one-way gangplank.

Fifth. Mr. Coon tells the private partners he hands them a blank check upon Uncle Sam for "There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act." Nowhere is there a specific guaranty that the partners will pay any sum, but clearly there is an agreement that they will receive 100 percent of the power and most specifically that "the contracts provided for herein shall be deemed contractual obligations of the United States Government" even though this bill prevents the Congress from having any surveillance over the project or the contracts. Yet Mr. Coon has the nerve to casually remark to you in the *CONGRESSIONAL RECORD* that this provision on obligations "makes the obligations of the United States rank equally with those assumed by the local interests."

Sixth. Within 6 months after enactment of the bill 99 percent of the public agencies, and perhaps 100 percent, in the Northwest would be disqualified from participation in the project yet he tells you that "the important thing is who is served—not by whom he is served."

Seventh. Mr. Coon does not reserve John Day power—not a kilowatt—for national defense. He does not tell you that his bill will require that national defense buy it back from private utilities.

Eighth. Mr. Coon tells the private utilities that certain costs at their option may be paid in equal installments over a 50-year

period at low-cost Federal interest, but he leads you to believe in the CONGRESSIONAL RECORD that all the money must be advanced before the power contracts can be executed.

Ninth. Mr. COON grants the private utilities with the contracts not only a monopoly upon the present John Day development, but grants them an option upon all future generators at John Day, even though those added generators might be made possible by future public upstream storage projects.

Tenth. Mr. COON tells the private utilities they can have the franchise for 50 years, yet he tells you "the John Day project will be a Federal project in all respects."

Eleventh. Mr. COON tells the private utilities they are not bound but that the Federal Government is bound to his bill—the bill provides that if John Day turns out to be an expensive project the partners will not pay a nickel, but that if engineers find that it will be a bargain the public will be obligated to contract it at that bargain figure to private utilities. Mr. COON doesn't tell you this is a "heads I win, tails you lose" bill.

Twelfth. Mr. COON directs the Secretary of the Interior to deliver for 50 years power equal to that generated by the initial facilities. However, the operation by the Army of the project as part of a river system may sometimes be less than the partners will contend they are entitled to under contract. Whatever happens to the dam, the private stockholders hold the contract. And this is an obligation of the United States.

Thirteenth. The COON bill does not require the project to be integrated with the Northwest power system. It does not require that the power be subject to the rate supervision of that system. It provides for the charging of rates on the basis of risk capital under conditions where there is no risk involved.

But Mr. COON does not tell you that in return for the public subsidy, the public contract, the freedom from taxes on the power facilities, the freedom from risk, the low Government interest on much of the investment, the freedom from rent, the freedom from competition his bill doesn't require a single thing in return from the power companies and it guarantees the power consumer nothing.

What in reality it does is give \$1,270,000,000 worth of power for possibly \$273 million—and if Mr. COON would have had his way in 1954 he would have given it away for \$164 million.

And in the bargain Mr. COON tells the utilities if they can get \$3 billion in high rates out of the million dollars' worth of power that's O. K. with him. After all, even \$100 million isn't much if it belongs to John Q. Public.

ELIGIBILITY FOR CONSERVATION PAYMENTS

The Senate resumed the consideration of the bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. GORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Is Calendar Order No. 218, House bill 1573, to repeal section 348 of the Agricultural Adjustment Act of 1938, the pending business?

The PRESIDING OFFICER. It is.

Mr. JOHNSON of Texas. I call that fact to the attention of the Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, H. R. 1573 was, of course, passed by the House of Representatives, and I understand it was passed unanimously, and it also was reported unanimously by the Senate Committee on Agriculture and Forestry. I might modify that statement by saying that two or three members of the committee were not present when the bill was ordered to be reported. As to whether they were recorded affirmatively or negatively, I would not say, but all members of the committee present voted in favor of H. R. 1573.

This is a bill to repeal section 348 of the Agricultural Adjustment Act of 1938, which section, commonly known as the Holland amendment in the act of last year, denies soil-conservation payments to producers who violate their acreage allotments.

Prior to last year section 348 applied only to cotton producers. Last year Congress extended it to producers of all basic agricultural commodities in the hope that it would bring about increased compliance with acreage allotments. It now appears that, instead of accomplishing this purpose, it is resulting in decreased participation in soil-conservation programs. It has caused particular difficulties in the case of farmers who are exempt from marketing quotas but subject to acreage allotments, such as wheat producers planting less than 15 acres, tobacco producers who have voted down quotas, and others.

This bill was the subject of careful inquiry by a subcommittee of the Senate Committee on Agriculture and Forestry, of which subcommittee it was my privilege to be chairman. Other members of the subcommittee were the Senator from North Carolina [Mr. SCOTT] and the Senator from South Dakota [Mr. MUNDT].

I should like to call the attention of my colleagues to the fact that the Under Secretary of Agriculture, Mr. True D. Morse, in his letter to the chairman of the committee [Mr. ELLENDER], dated February 9, 1955, called for the elimination of section 348. I should like to read a passage or two from Mr. Morse's letter to the Senator from Louisiana:

The Department approves of this proposed legislation.

This was at the time the bill was before our subcommittee. I continue to read from Under Secretary Morse's letter:

The Department approves of this proposed legislation. At present the only ACP payments made are for cost sharing with respect to conservation practices carried out on farms, and these payments represent only a share of the cost of performing the conservation measure. There was a direct relationship between acreage allotments and a portion of the payments made under the Soil Conservation and Domestic Allotment Act, prior to 1944, but it no longer exists.

Also, the present average ACP amount of cost sharing of less than \$100 is not large enough to be a strong incentive for farmers to comply with acreage allotments.

The principal effect of this restriction—

Namely, the Holland amendment—

on ACP assistance will be to discourage conservation on family-type farms. Since it is expected that most farmers will comply with marketing-quota provisions, the eligibility requirement of section 348 will affect principally farmers with corn allotments and farmers with less than 15-acre wheat allotments. Under marketing-quota requirements a farmer with a wheat allotment less than 15 acres is permitted to grow and harvest 15 acres of wheat without incurring a marketing-quota penalty. This exemption, however, does not apply to the ACP eligibility requirement of section 348.

The Under Secretary of Agriculture, Mr. True D. Morse, continues as follows, in his letter or report to the committee:

Based on past experience that there will be about 750,000 farms with a 1955 wheat-acreage allotment of less than 15 acres. A high percentage of these farms is expected to take advantage of the 15-acre limit and thereby become ineligible for 1955 ACP assistance. It is estimated that there will be 1,600,000 farms with a 1955 corn allotment. Based on the compliance obtained in 1954 it is likely that up to 60 percent, or almost 1 million farms, will have excess corn acreage in 1955 which would make them ineligible for 1955 ACP payments. Even though some farms with small wheat allotments also grow corn and would be included in both of the foregoing estimates, it is likely that substantially more than 1 million farms would not be eligible for ACP payments, due to the provisions of section 348.

Elimination of this entire requirement of eligibility is desirable. Its repeal would not require additional appropriations.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE,
Under Secretary.

Mr. President, at the time of our hearings, we were privileged to have the Acting Secretary of Agriculture, Mr. Earl L. Butz, appear before us. He presented a letter to the subcommittee; and, later, the Assistant Secretary of Agriculture, Mr. Peterson, also testified in behalf of the Department.

It is interesting to note that Mr. Butz, in his letter of March 10, to the Senator from Louisiana [Mr. ELLENDER], had this to say:

Since the passage of Public Law 690, farmers have been expecting to be permitted to adjust their planted acreage to come within the allotment on each basic crop if they so desired. To change at this time, with respect to the 1955 crop, would lead to much dissatisfaction, misunderstanding, and administrative difficulty in connection with some crops, particularly corn and rice.

The Department believes that the provision for adjusting the planted acreage to the allotment should be applicable equally to all the basic commodities. In our opinion the provision in the present law should be retained.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

EARL L. BUTZ,
Acting Secretary.

Mr. President, I wish to point out that not only did the Department of Agriculture support the particular change we are recommending, but furthermore, the National Farmers Union supported it, as did, I believe, the National Grange. No objection was registered, with the exception of one from the American Farm Bureau; and its objection was not an across-the-board objection, so to speak. It wanted some modification of the present provisions of section 348, but did not wish to go so far as the committee ultimately decided to go.

I do not believe much more need be said regarding the bill, except that the Department of Agriculture was contacted only recently, in light of the fact that I had heard that amendments would be offered. I wish to read the statement reaffirming the position of the Department of Agriculture:

After careful additional review and analysis by the Department of the proposal to repeal section 348 of the Agricultural Adjustment Act of 1938, as amended, we wish to reaffirm our position that this section be repealed. While the amendments proposed—

That is to say, the amendments which I gather will be proposed by the Senator from Florida [Mr. HOLLAND] and other Senators; and it is to those amendments that the Department of Agriculture is directing its attention in this memorandum—

while the amendments proposed by Senator HOLLAND with respect to certain technical objections which we had to this section are generally met, nevertheless, we feel that there should be no relationship between eligibility for ACP payments and participation in an allotment and marketing quota program. In view of the fact that marketing quotas are in effect for all basic commodities except corn, the eligibility requirement of section 348 will, even after amendment, affect principally those farmers with corn allotments. Also, there will necessarily be a tremendous amount of administrative detail. In view of the principle involved and the discriminatory nature of the present legislation, we recommend repeal of section 348.

Mr. President, strange as it may seem, I am hereby presenting an administration proposal. This is a unique position for me to occupy, but I am doing it with a certain amount of pleasure and with deep conviction.

I am confident that the Department of Agriculture has found that section 348, as now written, is a hindrance to an effective soil-conservation program, rather than a help to the so-called acreage-and-production-quota program.

Therefore, the Department and the Senate Committee on Agriculture and Forestry recommend the repeal of this section, as proposed by the pending bill.

Mr. THURMOND. Mr. President, will the Senator from Minnesota yield to me?

THE PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from Minnesota yield to the Senator from South Carolina?

Mr. HUMPHREY. I yield.

Mr. THURMOND. If the bill shall be passed, is it not altogether possible that the soil-conservation program will be stimulated, rather than hampered?

Mr. HUMPHREY. That is the view of the Department of Agriculture. In that connection, I called attention to the letter of the Under Secretary of Agriculture, Mr. Butz, and also the testimony before our subcommittee of the Assistant Secretary of Agriculture, Mr. Peterson. It was felt that the present limitation does nothing to strengthen acreage allotments and production quotas, but has substantially weakened what we call the participating program in soil conservation, by means of which the farmer and the Government work together in the soil-conservation program, particularly in the case of the family-type farms. I believe we must view this matter on the basis of what is best for soil conservation.

Mr. THURMOND. Is it not also true that the law provides appropriate penalties in cases where they are applicable, anyway?

Mr. HUMPHREY. That is correct; it does.

Mr. MUNDT. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. MUNDT. As I recall—and perhaps the Senator from Minnesota will wish to refresh my recollection—the bill is not only supported by the Department of Agriculture and two of the large farm organizations, but also is supported by the committee. I believe it was unanimously approved by our committee. I know it was unanimously approved by the subcommittee, and I believe it was unanimously approved and ordered reported by the full Senate Committee on Agriculture and Forestry, although with certain reservations.

Mr. HUMPHREY. That is correct. I qualify my statement by saying that I believe 1 or 2 members of the committee were absent, but were polled. It is correct that all members of the committee present or polled voted in the affirmative.

Mr. MUNDT. That is correct. As additional support for that position, let me point out that at the bottom of page 4 of the report will be found a list of a large number of Members of the House of Representatives who have introduced bills along the same general line. Included in the list are members of the House Committee on Agriculture, as well as other Members of the House of Representatives; and they are rather evenly divided as between the two political parties.

Mr. HUMPHREY. Furthermore, let me point out that a number of Senators have introduced similar bills.

Mr. MUNDT. That is true.

Mr. HUMPHREY. For instance, the Senator from Kentucky [Mr. CLEMENTS] introduced such a bill on January 6; and similar bills were introduced by the Senator from South Dakota [Mr. MUNDT], the Senator from Kansas [Mr. CARLSON], the Senator from South Dakota [Mr. CASE], and the Senator from North Dakota [Mr. YOUNG]. In the committee there was some discussion as to whether we should report a Senate bill on this subject; but in order to expedite the taking of action by the entire Congress—in view of the fact that immediate re-

peal of this provision is important for farmers, in connection with their planning of soil conservation—we determined to report to the Senate the House bill, and thus expedite the passage of the proposed legislation. However, I think it should be clear that the Senators who sponsored separate bills on this subject had in mind the same objective. In fact, several of the bills are in identical language.

Mr. MUNDT. That is correct.

I should also like to say that I wish to join with the Senator from Minnesota in urging our colleagues not to endeavor to load up this little corrective amendment with any other amendment at this time, for this is something which it is necessary for us to do soon and quickly if the maximum benefit is to be had.

So I hope nothing which would result in further delay on the House side will be done.

Mr. HUMPHREY. I thank the Senator from South Dakota.

Mr. President, I should like to state for the RECORD the name of the witness representing the Department of Agriculture who appeared before the committee. He is the Honorable Ervin L. Peterson, Assistant Secretary of Agriculture. The Acting Administrator of the Agricultural Conservation Program Service, Mr. F. G. Ritchie, also appeared.

If my colleagues will examine pages 7, 8, and 9 of the hearings, they will find that Mr. Ritchie and Mr. Peterson unqualifiedly endorse this particular program.

Mr. Ritchie was asked by me:

Have you thought that the operation of section 348 has impaired or impeded in any way your ACP program?

That was the question I asked the Acting Director of the Agricultural Conservation Program Service of the Department of Agriculture. Mr. Ritchie responded to my question as follows:

I believe it has, as it applied to these crops, such as corn and wheat, particularly. We find a good many farmers who come to the county offices to see about getting cost, sharing under the ACP on the conservation work that they would like to do. We have to inform them about the provisions of this section of the act, to be sure that they are not misled and go ahead and do their work and then find themselves ineligible for ACP help. A large portion of them, when they find that they have to comply with all of the allotments, decide that they will just forego the conservation activity.

Listen to this:

So we feel like it is deterring the achievement of conservation, out of proportion to the benefits that it is getting in causing these farmers to comply with the allotments.

That answers the question of the Senator from South Carolina [Mr. THURMOND]. Mr. Ritchie says:

So we feel like it is deterring the achievement of conservation, out of proportion to the benefits that it is getting in causing these farmers to comply with the allotments.

Then I asked the following question:

Senator HUMPHREY. In other words, the penalty is not sufficient to get compliance under the allotment, but the loss of the benefits under ACP could in some way retard some of your efforts in soil conservation?

Mr. RITCHIE. That is correct.

Later we had the testimony of Mr. Lynn, legislative director of the American Farm Bureau Federation. As I have stated, Mr. Lynn took a little different point of view. This is what he had to say as his concluding statement:

May I conclude by saying that I recognize that the Department of Agriculture has recommended the repeal of section 348 and that we are the only witness recommending the continuance of section 348. We would certainly hope that the committee would give serious consideration to this particular section. If it seems advisable to amend this section to do what I suggested before, to take care of these smaller farmers who need to put out enough corn to fill their silo, or the small wheat farmer who needs to plant enough wheat for his own home consumption, up to 15 acres, we would support an amendment to section 348 to so provide.

Even the Farm Bureau Federation recognizes that the present provisions of law are undesirable, in the sense that they do not strengthen production controls, and do not provide for improvement in soil conservation.

Mr. HOLLAND. Mr. President, I wish first to clear up any question as to the support of this measure in the Committee on Agriculture and Forestry. I have no doubt that the statement which has been made, that the members present voted to report House bill 1573, is correct. However, several members of the committee were not present. Upon the table there is a printed amendment, in the nature of a substitute, submitted by three members of the committee, the distinguished Senator from Vermont [Mr. AIKEN], former chairman of the committee, the distinguished Senator from New Mexico [Mr. ANDERSON], former Secretary of Agriculture, and the senior Senator from Florida, in which they are joined by the distinguished Senator from Utah [Mr. WATKINS]. Three of the four authors of the substitute amendment are members of the Committee on Agriculture and Forestry, and we were not in accord with the bill as originally introduced and as reported. Instead, we have submitted a substitute which we think would effectively clear up the difficulties mentioned by the Senator from Minnesota, and not cripple the enforcement of the price-support program in the way it would be crippled by the enactment of the proposed repeal measure.

The second thing I wish to say is that, while this amendment bears my name, and I am proud to have it bear my name, the fact is that the amendment is a product of the thinking of the American Farm Bureau Federation, as reflected in resolutions adopted by it last year, and also last December, at the last annual convention. The Farm Bureau Federation of my own State likewise is very strongly in support of the amendment.

What did the provision which is sought to be repealed by the pending measure do? It enacted, in a weakened way, a provision of law with reference to all basic commodities, which had been effective as to cotton, one of the basic commodities, continuously since 1933, without doing violence to the producers of cotton, but, to the contrary, with the accomplishment of sound objectives by way of closer adherence to the allotted

acres than was found in the case of some of the other great industries, notably the corn industry.

In 1933 the original Agricultural Adjustment Act was enacted. I think all Members of the Senate will recall that it was held unconstitutional in 1936. Up to that time a single measure dealt with the entire field of price support, conservation, and other objectives in this field designed to bring greater prosperity to agriculture.

Under the system of rental and benefit payments which prevailed under that act, the linking together of the conservation payment and the price-support structure was effectively accomplished.

After 1936, immediately upon the ruling of the Supreme Court that the original AAA Act was unconstitutional, Congress enacted, within a few weeks, the original Soil Conservation and Domestic Allotment Act of 1936, which was the first exclusive conservation measure in this field.

Under that measure as well, with reference to cotton, the same provision was applicable. In 1938 that measure was reenacted in more perfect form, and a part of the act of that year was section 348, which Congress amended last year. It has been in force continuously since that time.

Let me read section 348 in the act of 1938, which applied solely to cotton. I omit certain words which are unnecessary in giving the full meaning of that section:

Any person who knowingly plants cotton in excess of the farm acreage allotment shall not be eligible for any payment under the Soil Conservation and Domestic Allotment Act, as amended.

From 1938 until last year, 1954, that provision was in force. Not only did no harm result from it to the hundreds of thousands of producers of cotton in the United States, but a better performance in living up to acreage allotments was accomplished by the cotton industry than was found in some of the other industries, in which no such provision applied. I think the record shows very clearly that the cotton industry is one of the great industries which has not cost the American people heavily under the price-support program or the soil-conservation program. To the contrary, cotton farmers have stood by their guns. They have stood by each other, and have stood by the Department of Agriculture and the Nation in very strictly observing their acreage allotments. Without doubt, this particular section played some part in that strict observance.

When the measure was before the Senate last year, as Senators will recall, a situation was presented in which we were endeavoring to save a price support program, with little reductions, at most, for any commodity, and with no reductions from the 90 percent price support program in the case of commodities of which no great surpluses were created—in other words, commodities the producers of which imposed self discipline.

At the time of the consideration of that measure I offered on the floor the

amendment which extended section 348, which had been in force since 1938 as to cotton, so as to apply to all basic commodities, including cotton.

In re-writing the amendment at that time we made it a weaker provision, but we thought a fairer provision, than that which had been contained in the original section 348, because the original section 348 provided that if a grower knowingly over-planted he should forfeit his right to soil-conservation payments.

As we rewrote the provision in the bill last year, we used the words "any person who knowingly harvests." That made it possible for him to adjust his acreage throughout the period of production, in the event he found that he was over his allotment, or in the event there was some trespassing upon his allotment next year.

The form in which the measure was enacted last year is one of the things, it seems to me, that operates as a road-block in our present discussion, and it seems to me that possible support for the measure, which is now under consideration, comes from those who opposed the bill of last year.

Perhaps the three Senators who gave the strongest or most active support to the enactment of the bill last year were the Senator from Vermont [Mr. AIKEN], the Senator from New Mexico [Mr. ANDERSON], and the senior Senator from Florida. We were proud to give that support. We are not found in support of this repeal measure because we believe it is a salutary thing to provide that the Government shall not, out of one of its pockets, pay money to growers to whom it is offering a very generous program out of another pocket, when such growers refuse to play fair to the second pocket, although they share in the governmental payments from the second pocket which continue in such large measure, in so many billions of dollars. That is how simple it is.

If a grower wants to play ball with his fellows and with his own Government and with the people of the Nation, who are providing funds so generously in order that there may be some stability in his industry, he should at least be willing to be fair enough not to trespass upon the acreage allotments which are given him, and which represents his fair share of the total amount available for his industry. It seems to me that is a fair condition to impose upon him, namely, that he shall observe the provisions of the price-support program, as made applicable to him through his acreage allotments, if he is to hold out his other hand and ask the Federal Government to pay largess for carrying on practices which are good for him, and which, as a rule, he should carry on regardless of whether anyone contributes to the cost of the program.

I do not have a great deal more to say on this subject, except that I wish to voice some disappointment with the fact—and it is a fact, as stated by the Senator from Minnesota—that apparently the Department of Agriculture is willing to blow both hot and cold on this matter. It blew very hot last year, when, with the support of the American Farm

Bureau Federation, and of a majority of the membership of both Houses of Congress, as well as a preponderance of the American people, Congress enacted a program which was designed better to serve agriculture and to retain price supports for certain commodities.

We are sorry that the Department of Agriculture has seen fit to leave us, its advocates of last year, and to take the position that repeal of this provision should now be accomplished.

We are particularly sorry that the Department sees fit to base its position upon something which cannot yet be demonstrated at all, namely, that the provision is crippling the conservation program. The provision did not become applicable until the first of this year. No payments under it can be made until the end of this year. No one knows yet what will be done under it. If one reads the testimony carefully, he learns simply that certain farmers, when informed of this provision, have said that they would rather go ahead and violate their acreage allotments than participate in the soil conservation program.

Mr. President, what I say now I say in complete good humor. So far as I am concerned, if any farmer wishes deliberately to violate the acreage allotments which the Government has prescribed for his protection and for the protection of his fellow farmers and the agricultural industry, I am willing to have him abandon his right to claim money from the Federal Government for pursuing on his land practices—sound practices, I may say—which he ought to be willing to pursue in protection of himself and of his own land and its values, even without Federal assistance.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. WATKINS. I should like to ask the distinguished Senator from Florida if there may not be 2 or 3 situations which might possibly be corrected by the amendment proposed by the Senator from Minnesota.

Mr. HOLLAND. I am very glad that the Senator from Utah has made that suggestion. The 4 Senators to whom I have already referred have prepared a substitute which corrects the only 4 embarrassing situations we could find lending support to the arguments advanced by the Department of Agriculture. It corrects them entirely without repealing the salutary provisions contained in section 348.

It seems to the Senators who are offering the amendment that what the sponsors of the bill would have us do is to cut off our good right arm because we happen to have a hangnail on one of the fingers, instead of giving detailed and specific attention to the hangnail.

The amendment which we have prepared was submitted to the Department of Agriculture; and the Department of Agriculture, through its Under Secretary, Mr. Morse, admitted to me no later than this morning that it would correct the difficulties of which the Department is cognizant, although he reiterates that it was the preference of the Department

of Agriculture that section 348 should be repealed entirely.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I should like to ask the Senator from North Dakota to withhold his question until I have read into the RECORD the proposed amendment, in the nature of a substitute. It proposes that the measure shall read as follows:

SEC. 348. (a) Any person who knowingly harvests an acreage of any basic agricultural commodity on his farm which has been determined by the Secretary to be in excess of the farm acreage allotment for such commodity for the farm for such year under this title shall not be eligible for any payment for such year under the Soil Conservation and Domestic Allotment Act, as amended.

So far as those words go, that is exactly the language of the present provision. Then we add four exemptions, which comprise all the exemptions so far as we could hear any statement made by anyone that should be made in the revision of the act.

Before I read the four exemptions, I think I should say to the Senator from Minnesota and to other Senators that I believe they will recall that the measure of last year was rewritten in conference; that this particular provision did not come out of conference in the same wording in which it was submitted on the floor and debated on the floor, and that in rewriting the provision in conference there were omitted some of the details, which it now appears should have been included.

I read those four exemptions as follows:

For the purposes of this section, no person shall be deemed to have harvested any acreage of any basic agricultural commodity in excess of his farm acreage allotment by reason of harvesting corn for ensilage, harvesting wheat in an amount not in excess of 15 acres, harvesting a commodity or a crop with respect to which producers have rejected marketing quotas in a marketing-quota referendum, or harvesting peanuts for seed to be used for the raising of peanuts to be hogged off.

"Hogged off" is not a very euphonious term. It is used in the peanut belt to denote the harvesting of a crop of peanuts entirely by turning in the hogs and letting them follow their natural instincts by going after the luscious nut under the ground. They are very thorough harvesters, if I may say so.

The problems covered by these four provisions, Mr. President, were the only ones, with the exception of one covered in a later modification of the bill which I shall read, which we were able to find from one end of this country to the other in which the amendment as written in the present law offers any difficulties whatsoever.

The first was with reference to farm acreage for the production of corn harvested for ensilage; that is, to go into silos to become feed on the farm for dairy cattle or livestock, or not to be used in connection with any marketing.

Second. The harvesting of wheat in an amount not in excess of 15 acres. There is a marketing quota provision

which allows the harvesting of 15 acres of wheat without penalty. Judging by the letter from Mr. Morse or by the testimony of Mr. Peterson, if there is any strong feeling at all on the part of the Department of Agriculture, it is that they are fearful that if a farmer whose actual allotment may have been 5 or 10 acres planted, despite his allotment, up to 15 acres, he might have to come under this provision. I think that is a highly strained construction of the law. But whether that is so or not, the substitute as prepared would correct that situation.

The third is the harvesting of a commodity or crop with respect to which the producers have rejected marketing quotas in a referendum. That speaks for itself.

The fourth is the harvesting of peanuts for seed for hogging-off purposes. There are many peanut producers who raise peanuts simply for the purpose of fattening their hogs. Some of those producers felt they should be allowed to grow peanuts for seed in order that they might go ahead with their program.

Mr. President, those were the only four situations which we could find and which the American Farm Bureau Federation could find from one end of the country to the other which required any special treatment under the act to make sure they would be exempted so that no unfair result could come to them under the provisions of the act.

There was likewise a matter of procedure which proved to be burdensome and which we chose to correct by subdivision (b) of the proposed substitute, which reads as follows:

(b) Persons applying for any payment of money under the Soil Conservation and Domestic Allotment Act, as amended, shall be required to establish their eligibility for such payment under this section in such manner as the Secretary may prescribe by regulation.

That paragraph would give the Secretary the authority to issue regulations which would make it unnecessary to send out notices to every farmer, even though he could not possibly be affected, and would save an enormous amount of office work which under present regulations would be required, and which I understand from the distinguished Senator from Vermont are actually required in his State, although there was no direct implication in the law that it affected the growers of his State.

So, Mr. President, we think that the substitute is by all means the sound method of approaching the problem, rather than the repealing of a provision which is salutary and which we think is on the side of decency in that it prescribes that a farmer who claims largess from the Government through his conservation payments must at least play fair with his Government and with other producers.

Mr. YOUNG rose.

Mr. HOLLAND. Mr. President, I yield to the Senator from North Dakota.

Mr. YOUNG. Mr. President, I shall wait to get the floor in my own right.

Mr. HOLLAND. I shall be glad to yield to the Senator.

Mr. YOUNG. I thank the Senator from Florida. I shall wait until I can get the floor in my own right.

Mr. WATKINS. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I am happy to yield to the Senator from Utah.

Mr. WATKINS. Mr. President, after listening to the Senator from Florida today, and having heard his previously, I am convinced that he is correct, and that the amendment is a sound approach to the problem. I recognize the fact that there are difficulties in connection with the four categories which he has mentioned. But I think they could be completely corrected by the amendment which he has prepared. I was hoping that it would be offered and that we would have an opportunity to discuss it on its merits. I am very happy to join with the distinguished Senator from Florida, who has made an outstanding record with respect to agriculture in the United States since he entered the Senate. I am glad to go along with him in support of his amendment.

It is very inconsistent, indeed, for men who operate farms, large acreages, who take conservation help and use fertilizers to increase their output, to ask the Government of the United States to give them compensation benefits when they do not comply with at least the spirit of the act.

Mr. HOLLAND. I thank the distinguished Senator from Utah. I certainly agree with him completely. The questions involved must be decided, whether my amendment is actually offered or not. I have been disappointed and discouraged in connection with the idea of offering it, because I learned a long ago that it was sort of a futile gesture to hand a gun to a man who would not fight, or to give a tool to a man who would not work, or to present a program to a man who will not use it. I believe that good, firm leadership in this field would lead to a correction of some of the manifest abuses in connection with surpluses which have been piled sky high in the warehouses of the Nation and in the ships which were empty before they were filled with surplus products. We have all been looking for some method of disposing of those surpluses. Many methods have been suggested, and I should like to think most of them are wise. But we are still struggling under those immense surpluses. As I recall the latest report shows a billion bushels of surplus wheat. I do not have in mind the exact amount of the surplus of butter and milk products. But the surpluses are so great as to baffle any solution that has ever been suggested along the line of having them consumed by human beings. As a matter of fact, we have actually turned to chickens and cattle to consume great amounts of dried milk.

Mr. WATKINS. I am a farmer, in a small way, particularly with respect to the raising of fruit, but I never could see a sound policy in any law which provided aid from the Government for doing what I was already doing and had been doing for a number of years, such as fertilizing the orchards. I think that applies all down the line. It seems to me that if the

program is unreasonable it is going to be difficult to continue to sell it to the American people, particularly if we continue to allow these absurd situations to develop.

Mr. HOLLAND. I thoroughly agree with the Senator. I think all the public-opinion polls which have been conducted in urban areas or in areas where perishable agricultural commodities are produced, and in other areas of the Nation, have shown rather conclusively that the general public was pretty well "fed up" on the program under which we were operating until last year. I think the public is hoping that the program we adopted last year will be given a fair chance to be effective. I cannot imagine anything which will be more discouraging than to have word go out—and it must go out if this bill is passed—that instead of strengthening the program, we are actually weakening it.

I repeat: The provision as to cotton has been in effect throughout the duration of the law, and it has proved to be a salutary provision.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HOLLAND. I will yield first to the Senator from Vermont.

I cannot imagine anything more discouraging and disheartening to persons who are looking hopefully to balanced budgets and to industries which will more or less stand on their own, though I fully agree that as to the basics and as to some other products we must have some support-price program, than to learn that the White Knight who led them so hopefully to higher ground last year has begun to be a little fearful as to whether he can lead successfully. I think it will be a most disappointing and discouraging experience.

Speaking only for myself, as one of the strong advocates of his program last year on the floor and elsewhere, a program which was mine before he came into the picture 2 years ago, it is discouraging to me to find a suggestion in the report that there is no connection between the conservation program and the price-support program. To that subject, I shall devote a little further attention in a moment.

I now yield to the distinguished Senator from Vermont.

Mr. AIKEN. I appreciate what the Senator from Florida has been saying. He had been giving a very accurate résumé of the situation with which we are confronted.

When anyone says there has never been any connection between the ACP program and controls, he is simply incorrect, because there has been such a connection for years past.

In view of the fact that the amendment which the Senator from Florida and others of us have proposed exempts from the provisions of section 348 the small wheatgrower, who has no voice in the determination of whether he shall be placed under controls or not; inasmuch as it exempts the dairy farmer, who grows corn for silage, and does not market his corn anyway; inasmuch as it exempts peanuts, which are "hogged off" if planted in excess acreage, or per-

haps are kept for seed; inasmuch as it relieves State officials who are concerned with soil conservation from sending questionnaires to hundreds of thousands of farmers who are not affected at all or who do not produce basic commodities for marketing anyway; does it not then appear that the only possible reason for insisting upon the bill as reported by the committee, rather than the Holland amendment, would be to give the green light to the corporation farmers, the large farmers, to go ahead and plant in excess of their fair allotment without incurring the penalty provided by section 348?

Is not that the only possible reason anyone could have for voting for the bill as reported instead of for the Holland amendment?

Mr. HOLLAND. That certainly is one of the very persuasive reasons. I think there is another reason, as to which the Senator from Vermont and I might not be in complete accord, having to do with an event which will occur in November of next year. But that I shall waive for the moment.

I thoroughly agree with the position taken by the Senator from Vermont to the effect that the bill, if enacted as it is now before the Senate, would simply play into the hands of the large, mechanized farmers who are already producing at a unit cost very much less than that of the family farmers; and it would put every Member of the Senate who votes for the bill in the position of going further and further toward the stamping out of the family-type farms and the removal of the protection which now is accorded to family-type farmers, and which, under our proposed substitute, would be generously extended to all the small wheat farmers, all the small corn and dairy farmers, and all the other groups which the Senator from Vermont has mentioned.

Mr. AIKEN. If the Senator will permit me to say so, if things in a certain political party continue to go as they appear to be going at this time, I am not so certain that there will be much disagreement between the Senator from Florida and me in November of next year—and I am not referring to the Republican Party.

Mr. HOLLAND. I stated, when I adverted to that question, that I did not expect to find the Senator from Vermont and myself in complete accord when we got into that field. I have not been disappointed in his reaction to it.

But certainly, with the exception of the point which he has strongly made, the other point which I have suggested—and I have only suggested it—is about the only other argument I can see for the passage of the bill.

Speaking only for myself, and not from a partisan standpoint, I should dislike greatly to think that the Secretary of Agriculture, whom I have found to be highly nonpartisan in his approach to problems, had another approach to this particular problem. I am simply regretful that he is surrounded apparently by advisers who, I think, have carried him into strange lanes and alleys in the reaching of the conclusion which he ap-

pears to have reached as to the pending bill.

Mr. AIKEN. Mr. President, will the Senator further yield?

Mr. HOLLAND. I yield further to the Senator from Vermont.

Mr. AIKEN. As a result of oral discussions with some of the officials of the Department of Agriculture, I have come to the conclusion that although they are reluctant to reverse the position which had previously been taken, or even to modify it, they would find it highly possible to apply the law equitably and fairly, as intended by Congress under the amendment proposed by the Senator from Florida and other Senators. I feel certain they will not say they could not apply the law fairly; but when he has once taken a position, we know how reluctant any bureaucrat is to change that position, or even to modify it.

I agree with the Senator from Florida that in the Department of Agriculture there are certain persons, acting in an advisory capacity, who sometimes give the Secretary what we might call a bum steer.

Mr. HOLLAND. It is unfortunate that the distinguished Secretary of Agriculture has not had the time—and he cannot possibly have the time in this or any other matter—to master all the details himself, because I have great confidence in his integrity, his soundness of conscience, and his desire to serve all the people and all the producers in any agricultural group. I simply differ with him very strongly in the soundness of the conclusion to which he has attained; whether by guidance or by thinking of his own, I am not able to say.

Mr. AIKEN. Would not the Senator from Florida agree, too, that we must be watching the entire principle underlying farm programs in the United States? I am certain the Senator is aware of the reports which have been circulating to the effect that the wheat growers this year may vote down controls. I believe the Senator is aware of the unrest which is developing rapidly in the cotton growing areas, and of the growing demand on the part of cotton growers that they be permitted to run their own business, to recover the markets they have lost during recent years, and to prosper under their own steam.

Furthermore, if I may add another point, I think one clear red light, or at least caution light, which was lit before us in the last 2 weeks, was the spontaneous vote by a substantial majority, in the House of Representatives last week to throw peanuts completely out of the list of basic commodities.

Though the House came back into line later, I suspect that some Members felt the sting of the whip. However, a program cannot be operated forever with a whip.

I think we should take warning from the fact that consumers also have taken an interest in what is going on, and that the next time a commodity is voted out of the law, as peanuts were, it will probably stay out.

I think we should take heed that if we have a program, the way to make the program permanent and successful is to

make it work, and not to give a green light to violators and would-be violators.

Certainly the Holland amendment overcomes the weaknesses of section 348. There were weaknesses in that section. I admit that. I know it now. But if it is desired to go beyond that, if it is the intention to say to the corporation farmers, the wheat farmers producing on 1,000, 2,000, or 5,000 acres, "Go ahead and overplant; you will get your money just the same," we will be inviting trouble for farm programs generally.

Mr. HOLLAND. I could not more thoroughly agree with the distinguished Senator from Vermont. I think we would be inviting not only trouble, but also disaster of the most grievous sort, if we took a step of that kind at this time, when the program voted last year, including the portion of it now under discussion, is just going into effect. I may say that the Senator from Florida has tried to show rather clearly his understanding of the fact that some of the producers in some agricultural industries are going to be finding much difficulty this year. I joined in increasing the estimate of the Department of Agriculture for the ACP program from \$195 million to \$250 million solely because I thought that there ought to be a little heavier cushion. I want to have that cushion. But, Mr. President, I do not want to have available a cushion which will depend for its availability upon excesses and abuses and violations on the part of the individuals who receive acreage allotments, and who I think, in decency and in honor, ought to observe those allotments if they expect to participate in the ACP program.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MUNDT. I should like to call to the attention of the distinguished Senator from Florida a fact of which I am sure he must have become aware from the letter of the Under Secretary of the Department of Agriculture, True D. Morse, which appears on page 2 of the report, in which he says, without equivocation of any kind: "The Department approves of this proposed legislation"—period.

I notice that the distinguished former chairman of the Committee on Agriculture and Forestry questioned the wisdom of the Department of Agriculture in making that decision, and figured perhaps it reached an erroneous conclusion. In that event, I wonder if perhaps the Senator does not consider that the Department of Agriculture, which he feels could be wrong now, might not have been even more wrong a year ago, when it was recommending, along with the distinguished Senator, the abandonment of the 90-percent price-support program.

Mr. HOLLAND. I think that inconsistency could not be chargeable to the distinguished Senator from South Dakota because he was wrong last year and he is wrong now. Those who are supporting the pending bill are the ones who opposed the salutary program of last year, including my distinguished friend, the senior Senator from South Dakota.

If I could hear those who were strong advocates of the price-support program

last year come forward and say, "Here is something to make the present program work better," I would be very much comforted. But though I have listened intently, I have not heard the first comment from a Senator who took such a position about bringing into sounder perspective the whole price-support program.

Mr. MUNDT. What we are trying to do is to correct, at least to a minor degree, some of the major mistakes of those who last year supported a change in the Agricultural Adjustment Act.

Mr. HOLLAND. Since the Senator has adverted to the statement of Mr. True D. Morse, I should like to call attention to the fact that the middle sentence in the very paragraph from which the Senator from South Dakota has read does not hold up. That sentence reads:

There was a direct relationship between acreage allotments and a portion of the payments made under the Soil Conservation and Domestic Allotment Act, prior to 1944, but it no longer exists.

I have had this matter up, in some detail, with the Solicitor's office of the Department of Agriculture, and it has been admitted to me that they could not point to a law under which that change was accomplished.

Furthermore, it is quite clear to me, and I think it will be to my learned friend, the Senator from South Dakota, that not only has there been the closest kind of interlocking between the two programs from the first year's legislation until now—and I am going to mention the various steps in a moment, if I may—but in the last two appropriation bills there is specific requirement providing for the interlocking of the two programs in the action of the Department of Agriculture in spending their soil-conservation appropriations.

I hope the distinguished Senator from South Dakota will follow me while I repeat a provision from the current compilation issued by the Department of Agriculture in Agriculture Handbook No. 79 of January 1, 1955, containing, among other things, all the provisions of the Agricultural Appropriation Act of last year. I read this provision:

That in carrying out the 1955 program—

That is the one under which we are working now—

the Secretary shall give particular consideration to the conservation problems on farmlands diverted from crops under acreage-allotment programs.

Not only were the two programs interlocked already by provisions which are contained in the legislation which established them—and I am going to mention them in a moment—but the Senate and also the House, in the passage of the appropriation bill last year were so fearful that the Secretary of Agriculture would not understand that these two programs were interlocked and were interdependent and should be administered together, that these words were placed for his guidance in the appropriation bill, and I read them again:

That in carrying out the 1955 program the Secretary shall give particular consideration to the conservation problems on

farmlands diverted from crops under acreage-allotment programs.

Of course, we all know it is because of the diversion of more than 30 million acres, under the retracted programs of the last 2 years, that people in certain agricultural industries have gotten into the great straits they are in.

The appropriations measure pending in conference has practically the same words in both the House and Senate versions of the bill. The matter is not in conference now. I read now from the House print of the measure as it passed the Senate, including the Senate amendments, and this was not a Senate amendment:

Provided, That in carrying out the 1956 program—

Now we are looking ahead to the next year—

The Secretary shall give particular consideration to the conservation problems on farmlands diverted from crops under acreage-allotment programs.

So it is clear that not merely last year, but this year again, the whole membership of both Houses of Congress has understood clearly what apparently whoever wrote the letter which came to the committee from the Department of Agriculture did not understand that there was a careful interlocking of identity, interest, and objectives between the two great programs. So in giving instructions on the expenditures of, I believe, \$195 million last year, and this year of \$250 million, we have included specific words requiring that the conservation program shall be given impetus in its efforts to take care of diverted acreage which has been made available by acreage allotment programs in the price support program.

Mr. MUNDT. Mr. President, will the Senator from Florida yield further?

Mr. HOLLAND. I yield to the Senator from South Dakota.

Mr. MUNDT. The Senator has described the relationship of two general, overall, parallel programs, but he has not referred to any language in the statement of Under Secretary True D. Morse to the effect that there is a recommendation by the Appropriations Committee that soil-conservation-program payments be held up as a penalty. That is the point at issue.

Mr. HOLLAND. No. The members of the Appropriations Committees, along with other Members of both the Senate and the House, joined in enacting legislation last year which is found in section 348 of the bill passed last year. The provision became applicable to each basic crop. That particular provision was contained in the law ever since 1938, and in the law generally since 1933, as it applied to cotton. So there was no moment when it was not true that these two programs were interlocked, and it was recognized to be so.

If the Senator will bear with me, I may refer to 1 section of the law which affects price supports, coming down from the wording of the law of 1948, at the time when it was first sponsored by my distinguished friend from Vermont [Mr. AIKEN]. It was also contained in the

soil-conservation measure coming down since 1938, without any change whatsoever. Each of the provisions made it as clear as it could possibly be made that each particular subject, soil conservation on the one hand, and price support on the other, was always to be considered as part of the other program, and that the two were to be regarded as always inter-related.

Mr. MUNDT. Mr. President, will the Senator yield further?

Mr. HOLLAND. I yield.

Mr. MUNDT. If the Senator were to search for one statement in Mr. Morse's testimony about the relationship of the two programs, I think he would study long and in vain to find any place in the parallel evolvement of these 2 programs where it is indicated or implied that 1 program should be used as a club for securing performance of the other program. That is what we are objecting to.

Mr. HOLLAND. The distinguished Senator could not be more in error because, since 1938, it has been specifically in the law, and I shall read it again. I read it before the Senator was able to reach the floor. This provision has been in the law since 1938:

Any person who knowingly plants cotton on his farm in any year in excess of the farm acreage allotment for cotton for the farm for such year under section 344 shall not be eligible for any payment for such year under the Soil Conservation and Domestic Allotment Act, as amended.

Therefore, it was not a matter of harvesting but of planting. That provision has been in the law and has been enforced as a part of the law. It has been accepted and lived under by the cotton industry, which has a fine record of performance. When one looks at the other industries he will not find such a record of performance.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from North Carolina.

Mr. ERVIN. I was interested in the colloquy between the distinguished Senator from Vermont and the distinguished Senator from Florida, in which the question raised was as to whether or not the entire repeal of the provision would help only corporation farmers and large farmers. In North Carolina there are many very small farmers who raise corn, for instance. They do not make ensilage from the corn. They gather it and shuck it, and then feed the corn to hogs. Under the proposal now made, if such farmers exceeded their acreage by even one stalk of corn, they would lose the benefit of any payments coming to them under the conservation program, would they not? That is my question.

Mr. HOLLAND. No. If they knowingly harvest more than their allotment, and they are given a chance to have a check made not only by themselves but by the local agency, the county agency of the Department, and they do waive their right to soil-conservation payments.

Mr. ERVIN. If they knowingly gathered one additional stalk of corn growing on some of their land, they would forfeit their right under the soil-conservation program.

Mr. HOLLAND. Is the Senator making a statement?

Mr. ERVIN. I will put a question mark at the end of my statement. Is not my statement correct?

Mr. HOLLAND. The statement is correct if there is a harvesting after there has been a chance for measurement, and after measurement has been made. Then the farmer who has harvested more than he is permitted to harvest—unless he is one who has ensilage which he can use on his farm—has forfeited his soil-conservation payments.

That would simply put on a parity the fine North Carolina farmers who produce corn with the producers of cotton, who lived happily under a similar provision for years, although one which was stronger because it simply provided that if they planted more acreage, they forfeited their right to soil-conservation payments. They have lived very happily under that provision since 1933; and, so far as I know, no complaint about it has reached the committee.

Mr. ERVIN. But why penalize the corn farmer who feeds his corn to hogs? He can plant corn and put it in his silo and avoid any penalty, whereas if he feeds the corn to his hogs, he will forfeit the soil-conservation benefits.

Mr. HOLLAND. Mr. President, if the farmers of North Carolina are no more resourceful than that, I would say that might be the result. But having observed agricultural operations in North Carolina, where the farmers have silos and also have underground storage and other types of storage structures, in which corn can be stored, I do not think there is any serious reason for the distinguished Senator from North Carolina to be disturbed.

On the contrary, I would feel that the Senator from North Carolina would think it only simple justice to require that at long last the producers of corn get their house in order, just as the producers of cotton—of whom I would say there are perhaps several hundred thousand in North Carolina—have cheerfully and effectively lived up to their acreage allotments, and have done a fine job in that connection.

Why should not the corn farmers—the neighbors of cotton farmers, in many instances—be just as cheerful about accepting such requirements, by adhering to the law and to the regulations, as are the cotton farmers?

Mr. ERVIN. Then would it not be advisable to extend this principle a little further, and provide that a farmer must not only obey the acreage allotments, but must also obey the Ten Commandments, if he wishes to receive his soil-conservation payments?

Mr. HOLLAND. Mr. President, the distinguished Senator from North Carolina may have some jurisdiction in that field, but I have not claimed any such jurisdiction. I would not even attempt to say to the good people of my State of Florida what they should do in regard to obeying the Ten Commandments, much less have the effrontery of attempting to tell the free Tar Heelians what they should do in that field. I enjoy too much my visits in North Caro-

lina on my way to and from my own State to attempt to do anything which would jeopardize my welcome there, where I hope to travel immediately after the adjournment of Congress, while I am on my way home.

Mr. ERVIN. Let me point out that normally in North Carolina many farmers grow wheat and feed it to chickens. If such a farmer grows one grain of wheat more than the amount he can produce from the 15 acres, he would also lose the benefit of any soil-conservation payments.

Mr. HOLLAND. I do not believe the growing of one additional grain of wheat would cause him to forfeit anything.

Mr. ERVIN. As a matter of fact, if a farmer exceeds his allotment, he already is subject to a penalty under other laws, is he not?

Mr. HOLLAND. Under some, but not under others. I do not believe that is so in the case of corn.

Mr. ERVIN. This proposal would result in two punishments for the same offense. The farmer would be placed in jeopardy twice for committing one offense, would he not?

Mr. HOLLAND. I would not say that. In the case of some of the basic commodities, there is no penalty at all for overplanting.

Mr. ERVIN. But in the case of most of them—the major ones—there is a penalty.

Mr. HOLLAND. How about the planting of corn? Does the Senator from North Carolina understand there is a penalty in that case?

Mr. ERVIN. Yes; I understand that a commercial-corn farmer is subject to penalty in case of overplanting.

Mr. AIKEN. Mr. President, will the Senator from Florida yield to me?

Mr. HUMPHREY. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. Mr. President, the Senator from North Carolina represents in part a State which does not have the markets to which the Senator from Minnesota has referred, because the corn produced in our Southland is consumed there, and not marketed.

Mr. ERVIN. Yes; some of the farmers in North Carolina feed the corn to hogs, and do not sell it.

Mr. HUMPHREY. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. Mr. President, before I yield, let me repeat that the farther we proceed, the clearer it becomes that the Senators who advocated the passage of the pending bill are the very ones who did not want a good, sound price-support law enacted last year, and fought very hard against it. In fact, some very unkind persons have, in referring to the efforts of those Senators, used the word "filibuster." I was not among that number; but I have not yet heard anyone admit any objection to the position taken by the four Senators in their substitute amendment—except those who, last year, very ardently opposed a realistic coming to grips with the problems of the Nation in the field of agriculture and an attempt to get our agricultural production under control.

I yield again to the Senator from Vermont.

Mr. AIKEN. I point out to the Senator from North Carolina that the Senate has already, without objection, passed a bill which would exempt the chicken producer of North Carolina from any penalty whatsoever if he produces more than 15 acres of wheat, so long as he uses the excess for his own feeding purposes. The bill is now pending in the House, and we hope it will be acted upon.

Mr. HOLLAND. I am very grateful to my friend from Vermont for making that comment which, of course, is true. I think it should also be said that in various States which are not in the commercial areas of production, the farmer is completely exempt from any application of these laws, both as to wheat and as to corn.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. AIKEN. I have a couple of additional questions to ask.

Mr. HOLLAND. I yield to the Senator from Vermont.

Mr. AIKEN. Is there not a bill before the Senate Committee on Agriculture and Forestry which would add six States to the noncommercial area? I am pretty sure North Carolina is one of such States, which would be exempt from penalties.

Mr. HOLLAND. There is such a bill, but I cannot say whether or not North Carolina is one of the six States.

Mr. AIKEN. There are six such States. I know that Georgia is one of them, and there are five others.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. ERVIN. The Senator from Vermont has referred to a pending bill. A pending bill is like the hope of salvation. It may not come to pass.

Mr. HOLLAND. The Senator from North Carolina continues to advert to a field in which the Senator from Florida is not an expert, but he accepts the comment in good faith.

Mr. AIKEN. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. AIKEN. Is it not true that it would be no fairer to subject the dairyman producing corn for his silo to the penalties of the act than it would be to subject him to penalties for producing clover and other leguminous crops, which are equally rich in nutriment, for the same purpose of putting them in the silo?

Mr. HOLLAND. The Senators who joined in the substitute amendment, including both the Senator from Vermont and the Senator from Florida, felt that such was the case.

Mr. AIKEN. The dairyman ought not to be subjected to a penalty for producing silage corn, any more than for producing clover and other crops.

Mr. HOLLAND. The Senator is correct.

Mr. AIKEN. I have one further question to ask the Senator from Florida.

Is it not a fact that, if the Holland amendment were rejected and the bill in its original form passed, the only persons who could possibly benefit from such action would be those who intend knowingly to violate the law?

Mr. HOLLAND. The Senator is entirely correct. The so-called Holland amendment, which is the American Farm Bureau Federation amendment in the act of last year, affects no one who does not knowingly abuse his Government's generosity, his fellow producers, and the American public in general, by knowingly exceeding his share of the production capacity.

Mr. AIKEN. I thank the Senator.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MUNDT. During the colloquy with the Senator from Vermont the Senator from Florida referred to proposed legislation which the Senate passed earlier this year. It also passed Senate bill 46, which was reported on March 23, legislative day of March 10.

At that time certain products were exempted. Wheat was exempted, provided the wheat was not removed from the farm, but the entire crop of wheat was used for seed on such farm, and so forth, and provided also that such producers complied with regulations prescribed by the Secretary.

I wonder whether the amendment the Senator now proposes to superimpose on Senate bill 46 would cause us to back downhill from the action on Senate bill 46, by limiting those provisions, once again, to 15 acres.

Mr. HOLLAND. No; that would not be the case. The bill as it now stands would back down the hill from the position we took last year in the effort to bring about greater compliance with acreage allotments and a higher degree of compliance on the part of producers of all basic commodities except cotton. This regulation had already been applicable to producers of cotton.

We passed section 348 last year. We would back down the hill most ingloriously, in my opinion, at a time when all the people of the Nation expect us, in good faith, to try honestly to make the program adopted last year work, if the pending bill as it is now written were enacted.

I recall that the distinguished chairman of the Senate Committee on Agriculture and Forestry [Mr. ELLENDER]—and he is an able and distinguished Senator and chairman—was quoted in the public press only 3 or 4 days ago to the effect that he would not permit to come up in the Senate Committee on Agriculture and Forestry this year a measure which was barely passed in the House of Representatives the other day, and which would operate to negate the fine effort we made last year, without ever giving the program a trial. He was quoted as stating that he would not permit it to come up this year, because he felt that the program ought to be given an opportunity to demonstrate its value. With that statement I completely agree.

Mr. MUNDT. Let me say, first of all, that I hope the Senator from Florida does not pin too much hope on the rather impetuous remark made by the chairman of our committee, on the spur of the moment and before he had an opportunity to canvass the members of the Committee on Agriculture and Forestry. It may very well develop that there are

votes enough in that committee to force action and consideration on the floor of the Senate this year, when the measure can be considered as an economic asset, rather than to wait until next year, when it would be pure political buncombe.

Mr. HOLLAND. The distinguished Senator from South Dakota is, of course, entitled to his own opinion in that respect. However, I invite his attention to recent developments in the so-called Eastland subcommittee. The report of that subcommittee would indicate that instead of losing support in the Senate for the flexible price-support program and all the other reasonable features in the bill passed last year, we are gaining adherents.

Again, the Senator from Florida says that he has no right to speak for any other Senator. The Senator from Florida does not know what will develop when the question arises. But when the chairman of a great committee, a Member of many years' experience in the Senate, a Senator who is known to have fought very hard last year against a flexible price-support program, announces publicly to the press and over the radio that he believes that the country will expect a reasonable opportunity to be afforded for the performance of that program, and that, therefore, he does not propose to call up this year the proposed legislation to which reference has been made, I think more than mere passing comment should be made upon his statement.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HOLLAND. I believe that if my friend, the distinguished Senator from South Dakota, has any hope of being able to have reported this year from the Committee on Agriculture and Forestry the measure of which we speak, he probably has not given as earnest attention to the subject as I believe he will give before he makes any effort in that direction.

Mr. MUNDT. Being a member of the Republican Party, of course, the Senator from South Dakota is a little more dedicated to the concept of individual responsibility, and less dedicated to the concept of leadership, in contrast to members of the opposition party.

Mr. HOLLAND. Let me comment upon that statement.

Mr. MUNDT. I recognize that the chairman of the Committee on Agriculture and Forestry is a very estimable chairman—

Mr. HOLLAND. I wish to reply to the Senator's last statement.

Mr. MUNDT. I thought the Senator from Florida had yielded to me.

Mr. HOLLAND. I wish to reply to the Senator's last statement.

I point out that last year, when there was pending on the floor of the Senate a Republican program for price support and for better control of the agricultural production of the Nation, the distinguished Senator from South Dakota, who has referred to himself as a Republican, did not see fit to support that program. At least, that is my recollection. If I misquote the distinguished Senator, I hope he will correct me.

Mr. MUNDT. The Senator is exactly correct. That confirms the point I make, that, as a Republican, I am a little more dedicated to the concept of individual responsibility than to the leadership concept, which has done so much to injure the great Democratic Party during the past 20 years.

Mr. HOLLAND. As applied last year, I thought it looked more like individual confusion, particularly when it showed up in the position of the Senator from South Dakota and his confreres who, in spite of strong and excellent leadership in the White House, and in spite of strong leadership from the Department of Agriculture—which, I regret to say, is somewhat weakened—and in spite of strong leadership from very conservative farm organizations such as the Farm Bureau Federation, the Grange, the two cooperative organizations, and others, voted on the other side. I believe the only farm organization on the other side was the Farmers Union, and that certainly is not a Republican organization.

The Senator from South Dakota saw fit to make his bed with the Farmers Union and with the other groups I have mentioned, instead of following what I thought was strong and constructive leadership, which happened to come from the Republican Party. I did not think the Senator was demonstrating completely, to the satisfaction of all who watched, the soundness of his Republicanism. If the Senator is coming to a different conclusion, of course he is entitled to it, and I shall not question it, because he knows what is in his innermost thoughts. However, looking at his votes of last year, I conclude that he and the Farmers Union and a few others were trying to run in one direction while the Republican Party and a good many Senators from this side of the aisle were proceeding constructively in the sound direction in which we were able to make some progress.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MUNDT. I recognize my great disadvantage in trying to say anything if the Senator continues to cut me off every time I stop to take a breath.

Mr. HOLLAND. I apologize.

Mr. MUNDT. Of course, the Senator has that right, and if he insists on asserting it, I must struggle along as best I can. First let me refer to the last point the Senator made, the one about my Republicanism. I have already stated that as Republicans we hold to the doctrine of individual responsibility, as opposed to the doctrine espoused for the past 20 years by Senators on the other side of the aisle, which is a form of the European leadership concept, under which the "I am" principle is dominant and under which premiers and leaders of state gain undue control over their people and over the members of their political parties.

However, the point I am trying to make about my Republicanism is that in the State of South Dakota the State Republican Convention—the great convention of that great party of that great

State—after due and careful investigation and hearings, endorsed the program of 90-percent price supports, and has continued that position consistently. Therefore, it seems to me to be an economic problem rather than a political program.

What started this interesting colloquy, as I remember, was the statement of the distinguished chairman of the Committee on Agriculture and Forestry that there would be no vote in that committee on this issue this year, although next year might be the appropriate time for it.

I think there is abroad in the land the thought, which I believe originated in Democratic headquarters, that 1956 will be a better time for voting on the subject of agriculture than 1955. Perhaps that is true from the standpoint of politics. Certainly it is not true from the standpoint of the farmer, is a particular program has merit.

I share completely with the Senator from Florida his admiration for the capacity, and courtesy, and leadership of the chairman of the committee. However, I have never been able to find any corelationship between efficiency on the part of the chairman of the committee and his accuracy as a prophet. The Senator from Florida and I know that we have never polled our committee. We do not know how the members of the committee are going to vote. We have the same membership on the committee we had last year, with one exception, namely, that the Senator from North Carolina [Mr. SCOTT] has replaced the Senator from Idaho [Mr. WELKER].

Mr. MUNDT, Mr. AIKEN, and Mr. CARLSON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Florida yield; and if so, to whom?

Mr. HOLLAND. I shall continue to yield to the Senator from South Dakota. I do not wish to cut him off. I was grieved by his suggestion that I had cut him off when his wind was just starting up in good shape. I certainly do not want to do that again.

Mr. MUNDT. There is nothing I would rather not do than grieve my delightful friend from Florida. But I should like to make one other comment in connection with the Senator's earlier statement, when he and the Senator from Vermont were having their congenial colloquy while leaning on each other's shoulders and finding much to support in their amendment. The Senators became quite enthusiastic in their exchange of views. However, as is the case in such situations, we sometimes let our adjectives outstrip the facts as they are incorporated in nouns and verbs. It was under such circumstances that the Senator from Florida said, I believe, that the great beneficiary of the bill would be the large-scale farmer, or the corporate farmer, rather than the family-type farmer.

Mr. HOLLAND. That is my complete conviction.

Mr. MUNDT. That being true, it grieves me to find the distinguished Senator from Florida and the distinguished Senator from Vermont [Mr.

AIKEN] so hopelessly in disagreement with the Department of Agriculture, with which they found themselves so happily in agreement only a year ago. I say that because in the letter of Mr. Morse, from which both of us have read, each of us skipping lines here and there to find something pleasing to our point of view, Mr. Morse said:

The principal effect of this restriction on ACP assistance will be to discourage conservation on family-type farms.

Mr. HOLLAND. I hope that—

Mr. MUNDT. I say that as a rejoinder to what the Senator from Florida has stated about corporate farmers.

Mr. HOLLAND. I am grieved that the Senator did not continue his reading. If he had done so, he would have made clear, as I shall do now, that the statement quoted corrected by him from the letter from Mr. Morse is followed by two illustrations of defects, both of which are admitted by the proponents of the substitute amendment, and both of which would be cured by the substitute amendment. I continue to read at the point where the Senator from South Dakota stopped his reading:

Since it is expected that most farmers will comply with marketing-quota provisions, the eligibility requirement of section 348 will affect principally farmers with corn allotments and farmers with less than 15-acre wheat allotments.

Those two situations would be corrected by our substitute amendment.

Mr. MUNDT. That statement by Mr. Morse could not be said to apply to corporate farmers.

Mr. HOLLAND. I continue to read:

Under marketing-quota requirements a farmer with a wheat allotment less than 15 acres is permitted to grow and harvest 15 acres of wheat without incurring a marketing-quota penalty. This exemption, however, does not apply to the ACP eligibility requirement of section 348.

That is cleared up by the substitute amendment.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HOLLAND. The next paragraph has to do with corn, and the Senator will find—and I shall not read it in full—that in the long paragraph which immediately follows, the distinguished Under Secretary of Agriculture, Mr. Morse, made it quite clear that his troubles come from small farmer situations in the wheat and corn industries, both of which are cured by the proposed amendment. Therefore that statement in Mr. Morse's letter becomes completely inapplicable in the event the substitute amendment is adopted.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MUNDT. I did not alleged that Under Secretary Morse was criticizing the substitute proposal as being designed principally to take care of the big farmer. What I said was in the form of a rejoinder to the statement by the Senator from Florida, that H. R. 1573 would be helpful to the corporate farmer and injurious to the family-type farmer. I think that is clear from the record and

from the paragraph the Senator has read.

I also believe that Mr. Morse is accurate when he says that the principal effect of the restriction has been to discourage conservation on family-type farms. It is possible that the amendment would also correct that evil. However, it is not fair to say that our suggestion is conceived to help the big farmer.

Mr. HOLLAND. The substitute clears up the question entirely with reference to the small-type farmer. It restricts the field of application of the bill entirely to the large type of operation. I am sure that the Senator would agree that section 348 should be applied to the large operations. We want to leave the law so that it can be applied to the farmer who has many acres and a great deal of machinery and operates an industry. However, the insistence of the Senator from South Dakota and his associates, all of whom were opponents of the farm bill last year, that the pending bill must be passed as is, means that instead of taking a substitute measure which cures the defects of the law as it affects the small farmer, they seek the passage of a measure which gives unbounded advantage to the big farmer. The Senator from Vermont was completely correct in calling attention to that fact a few minutes ago.

Mr. AIKEN. I would not deny the right of the corporation farmer to have friends and to have his views presented on the floor. However, that is not what I wish to query the Senator from Florida about. Permit me to say that during the first 2 years I was a Member of the Senate I was very much gratified to find that farm programs were not made matters of partisanship. There was no partisanship until a few years ago when efforts were begun to inject politics into the question. I wish to say that American agriculture should not be used as a football for either party politics or political philosophy. I have found among the Democrats some of the staunchest supporters of sound farm programs, not only Democrats in the Congress, but Democrats throughout the country who are leaders of farm organizations. Among them I have found no more staunch supporters of a free and prosperous agriculture and sound farm programs than are the Senator from Florida [Mr. HOLLAND] and the Senator from New Mexico [Mr. ANDERSON].

Mr. HOLLAND. I thank the Senator from Vermont.

Mr. AIKEN. Mr. President, I wanted to make that statement to clear the air. I know those Senators will never agree to put American agriculture under the complete domination of government.

Mr. ANDERSON. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. ANDERSON. I wish to commend the Senator from Florida, as I have many times previously, for his staunch position in behalf of conservation. But since the question of family-size farms has come into the discussion, I should like to suggest that the amendment

which the Senator has offered and in which I have been honored to join with him, as has the Senator from Vermont, is, in my opinion, designed to make it possible for conservation payments to continue and for family-size farms to continue.

If the record needs to be made more clear, we can read off item after item which the able Senator from Florida has supported when, in his judgment, it would make possible prosperity for the average size farm. His constant support of measures designed to remove huge surpluses is exemplified in the recent act to provide for the removal of surpluses. But the greatest help we can give to the family-size farm is to provide prices by which the farmers can live on their farms and make a living, and not have to depend on Government subsidies.

I commend the Senator from Florida, as I have many times before.

I should like also to commend the Senator from Vermont [Mr. AIKEN] for saying that he has not believed in putting these matters on a basis of partisan politics. I can testify that in 1948, when the President of the United States sent to the Congress a bill providing for flexible price supports and for an entirely new price-support program, the man who took the bill and carried it to the floor and saw it pass on the floor of the Senate was a Republican—the Senator from Vermont—who did not ask what the label was, whether it was a Republican label or a Democratic label, but only whether it would be of assistance to the farmers of the Nation.

I commended his attitude then, and I commend it now. I am happy to be associated with the Senator from Florida and the Senator from Vermont.

Mr. HOLLAND. Mr. President, I am grateful to the Senator from New Mexico, who, before being a great Senator, was a great Secretary of Agriculture. I know of no person who better understands the problems of agriculture and what is required to make it more stable and more prosperous than does the Senator from New Mexico. It has been a great pleasure to me that my own very strong and longtime convictions have arrayed me on the side of the Senator from Vermont and the Senator from New Mexico.

Mr. CARLSON. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. CARLSON. Mr. President, I listened to the debate with the idea of opposing the Holland amendment, but the distinguished Senator from Florida has led me to believe that he may be on sound ground, after all.

With reference to the repeal of section 348, the inquiries I have received have been from small farmers with respect to their being able to participate in both conservation payments and the price-support program. As I examine the amendment, it leads me to believe that it does not meet all the objections with respect to section 348. Was it not the purpose to eliminate that provision?

Mr. HOLLAND. Undoubtedly, the purpose of those who introduced the bill was to repeal entirely section 348. Based

upon the hearing and upon the conference with farm organizations, particularly the American Farm Bureau Federation, the Senator from Florida and his associates who have offered the substitute have found that the situation can, in their judgment, be cleared up entirely as to the small farmers by the adoption of the substitute and still leave in the bill section 348 to prevent large mechanized farms from exceeding their acreage quota with impunity and making it even more difficult for the small farmer to continue to live.

In taking up the measure with the Department of Agriculture, we find that they feel they are obligated to continue their stand for outright repeal. They have said to me that if enacted, the substitute amendment will cure the various defects it seeks to cure, and will, they think, be workable, and that they will be very happy to attempt its enforcement.

Mr. MORSE still feels that outright repeal should be had. The attitude of the Department is not unanimous on that point, however.

Mr. CARLSON. The last statement of the distinguished Senator assures me that they have gone into that feature of it. The mail which I have received has not been from large corporation farmers, but from small farmers who were having difficulty in qualifying for soil-conservation payments. If the Senator from Florida will assure me that they will be protected, I shall have no objection to his amendment.

Mr. HOLLAND. In my judgment, it would completely take care of their complaint.

I should like to invite attention to the statement of Mr. Peterson, which appears on page 7 of the hearings:

We believe it desirable that persons receiving benefits under one program not be in a position to defeat the purposes of other programs.

Then he goes on to say:

However, the provisions of section 348 as it now stands, we believe, are not particularly effective in accomplishing the intended purposes.

What we have tried to do is to change section 348—and the Senator knows it had to be rewritten in conference—and to put it in a form which meets the five difficulties which we were able to discover which might possibly exist if the language of the act were enforced as it now stands. We believe those difficulties would all be cured and removed, leaving section 348 still applicable. We believe this effect is needed by the large producers as well.

I have repeatedly invited the Senate's attention to the fact that the same provision has been salutarily applied to the cotton industry ever since the beginning of the program, with the result that it has kept cotton acreage closely in line, as compared with other commodities which have not had such a restraining influence.

Mr. CARLSON. I thank the Senator from Florida.

Mr. HOLLAND. I thank the distinguished Senator from Kansas.

I will complete my remarks hurriedly.

There was some question about the tying together of the two programs. I stated that as to each of them, from the beginning, there have been provisions which tied them to each other. In the beginning, there was only one act, the act of 1933, which was declared unconstitutional by the Supreme Court in 1936.

That act was followed in a few weeks, first, by the Conservation Act of 1936, which was reenacted in 1938. One of the provisions of that act has been in existence all the time as section 348, which applied, as to cotton, to anyone who knowingly planted—not harvested, but knowingly planted—more than his allotted acreage. If he did, he lost his right to claim his ACP payments. That was a tying together which was clear and inescapable.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. ANDERSON. Surely this language is proper for the protection of the farmer, because the farmer might plant acreage and not have measured it quite accurately. When the county extension agent, or whoever was doing the measuring, came to the farm, he might say, "You are entitled to only 4 acres, but you planted 5."

The farmer could then say, "Well, I had my planting device set to measure, I thought, accurately, but it was not." All the farm has to do then is to refuse to harvest from the extra acre, and he will incur no penalty under the law.

We have had such a provision for cotton production for years past, and it has caused no damage. If the cotton farmer planted so much as 1 foot beyond what he was authorized to plant, he could be subject to a heavier penalty. This is a far more liberal provision. So surely, if the cotton provision has caused no trouble in 17 years of operation, there is no reason why the proposed provision should cause trouble, liberal as it now is.

Mr. HOLLAND. I thank the Senator from New Mexico, who is a cosponsor of the amendment. He will remember that the provision in the present law was completely rewritten in conference. It was the intention of the conferees, in rewriting it, to make it more generous from the standpoint of the individual farmer.

Mr. ANDERSON. Mr. President, will the Senator further yield?

Mr. HOLLAND. I yield.

Mr. ANDERSON. That is exactly the situation. When the difficulties were pointed out, the Senator from Florida took the position, time after time, that he wanted to make this a liberal provision, and not a tight provision, and he hoped the Department would so administer it that it would not be an extremely restrictive provision.

I know the intention of the Senator from Florida is that we should make this useful in the program. But if we are not careful, we will see several of these programs, which we now think are good, suddenly begin to disappoint.

In areas of the United States where tobacco is planted the limitation is as exact as seven-tenths or six-tenths of

an acre, and those who plant tobacco will be tempted to use a very poor measuring device when they plant a very limited crop of that nature.

Mr. HOLLAND. The Senator is, of course, correct.

I have already mentioned that section 348, throughout the life of the Conservation Act, has effectively tied together the two programs, namely, that of acreage allotment and soil-conservation payments. As to cotton, there is no question about that. That is a fact.

I now point out that one of the principal objectives stated in section 7 of the Soil Conservation and Domestic Allotment Act, as it was enacted in 1938—and that provision is in the act as we speak here today—is to reestablish the purchasing power and to give greater value to the commodities the farmer produces on his own farm.

I shall not read all of section 7, but I shall read the applicable portion, leaving it to any other Senator to insert any other portion, if he sees fit to do so. I begin at the first part of section 7, as follows:

(a) It is hereby declared to be the policy of this act also to secure, and the purpose of the act shall also include—

Now I shall quote the fifth objective—reestablishment, at as rapid a rate as the Secretary of Agriculture determines to be practicable and in the general public interest, of the ratio between the purchasing power of the net income per person on farms and that of the income per person not on farms that prevailed during the 5-year period August 1909–July 1914, inclusive, as determined from statistics available in the United States Department of Agriculture, and the maintenance of such ratio.

It is completely clear, therefore, even to the most casual reader, that the objective of the soil conservation law is identical with the major objective of the price support law, which named the base period and contains largely the same language, because the provision comes from the price-support legislation. I have read it because it ties the two programs together.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MUNDT. I should like to suggest to the Senator from Florida that the bill which the Senate is now considering is a very simple one, designed to correct a specific defect, for which purpose various methods are being suggested.

The bill passed the House on March 2. It is now almost the middle of May. I think it is important that the bill be passed.

I wonder if the Senator from Florida would not consider withdrawing his amendment at this time and presenting it to the committee, where hearings could be held, and the committee conceivably could support the amendment if it has the advantages which I know the Senator feels it has.

If the amendment were to be added to the bill now, the result undoubtedly would be a long conference with the House of Representatives, during which other amendments could be made by one device or another.

The committee could consider the amendment and have a hearing on it. The calendar of the committee is pretty well up to date.

Mr. HOLLAND. I appreciate the suggestion of the Senator from South Dakota, but it is not in accord with my own thinking on the matter at all. I am anxious to have continued in the law the salutary portions, of which there are many, of the section of the act passed last year, to which we have made reference, namely, section 348; whereas the Senator from South Dakota apparently desires to invite the nonacceptance of acreage quotas and the violation of acreage quotas wholesale by farmers throughout the Nation, with impunity, if the provisions of the bill should be enforced, insofar as the right to continue to collect ACP payments is concerned.

I do not join with the Senator from South Dakota in that objective. I do not think it is a sound one. I think it would be very hurtful to agriculture. Agriculture is struggling now to preserve its good name.

My observation has been that a great many people are becoming very restless and impatient with those leaders of agriculture, whether political or otherwise, who might feel that agriculture has a free ride to prosperity at the public expense, regardless of whether it is willing to put any power of discipline on itself or not.

I do not subscribe to that kind of approach. I think the better elements in agriculture have always been willing to discipline themselves. They now know perfectly well that the good will of the Nation is hanging in the balance on the whole subject, and that it is important for agriculture to show its willingness to play the game according to the rules. That is all we are asking to be done.

Mr. MUNDT. I appreciate the consideration which the Senator from Florida gave to my suggestion. I am frank to say that I offered it with more hope than confidence. While I am disappointed in its rejection, I am not dejected. I appreciate the Senator's comments.

Our colleague on the committee, the distinguished junior Senator from North Dakota [Mr. Young], who was here earlier, seeking to engage himself in the colloquy, had to attend a meeting of the Committee on Appropriations, because some North Dakota witnesses were present. The Senator from North Dakota has now returned to the floor, but he must again go back to the committee momentarily. Therefore, I would appreciate it if the Senator from Florida, if he is of a mind to do so, would yield to the Senator from North Dakota, so that he might ask his questions now.

Mr. HOLLAND. I shall be happy to do so. I regret that I did not find it possible to yield earlier.

As I recall, I had agreed to yield, but the Senator from North Dakota had to depart; he could not wait.

Mr. YOUNG. I do not desire to ask questions; I seek the floor in my own right.

Mr. HOLLAND. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from North Dakota for the purpose of allowing him to make his statement, with the understanding that I may resume the floor in my right when he has finished.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Florida? The Chair hears none, and it is so ordered.

Mr. YOUNG. Mr. President, every time a farm bill of any kind comes to the Senate floor the wheat farmers in particular have to take a beating. The impression is left that they are law violators and are trying to get some money from the Government for nothing.

The bill we are considering today will have little effect upon my State. According to the Department of Agriculture's own letter, the bill will affect mostly farmers producing corn and less than 15 acres of wheat. I assume that to mean that it will affect the smaller farmers in the eastern part of the United States.

The Department of Agriculture says that this provision, as written into the law last year, does great injury to the family-type farmer. That position is supported by the grange, one of the oldest, probably the oldest, of all farm organizations, and by the National Farmers Union. If there is merit in the amendment being offered today, I cannot understand why it was not offered in the Senate Committee on Agriculture and Forestry. This amendment does have far-reaching consequences, and I am sure the Senate Committee on Agriculture and Forestry, which is operating most expeditiously, could consider the amendment in a very short while and take action on it. We have been doing that this past year. We did it last year. I do not know of any bill of this nature which was held in the committee any length of time.

Mr. HOLLAND. Mr. President—

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Does the Senator from North Dakota yield to the Senator from Florida?

Mr. YOUNG. I yield.

Mr. HOLLAND. I wish to remind the distinguished Senator from North Dakota that when the bill was ordered reported the Senator from Florida was not present. He was appearing before a House committee with a delegation from his State. The Senator from Florida asked for the right to be heard; the committee did not see fit to suspend action on the bill until he could get there; and the only way the Senator from Florida can be heard on this matter is to present the substitute now.

Mr. YOUNG. I think it would have been better for the Senator from Florida to ask that the bill be sent back to committee. That could have been done, and the bill could have been reported back in 2 or 3 days.

Mr. President, I think the letter of Under Secretary True D. Morse to the chairman of the committee has a great deal of significance and should be read into the RECORD. The letter reads in part:

The Department approves of this proposed legislation. At present the only ACP payments made are for cost sharing with respect to conservation practices carried out on farms, and these payments represent only a share of the cost of performing the conservation measure. There was a direct relationship between acreage allotments and a portion of the payments made under the Soil Conservation and Domestic Allotment Act, prior to 1944, but it no longer exists. Also, the present average ACP amount of cost sharing of less than \$100 is not large enough to be a strong incentive for farmers to comply with acreage allotments.

The principal effect of this restriction on ACP assistance will be to discourage conservation on family-type farms.

Mr. President, I think Under Secretary Morse is right in that respect, and I do not think the law should be loaded down with amendments which would tend to destroy the ACP program and the Conservation Act.

I have heard many statements made this afternoon about the present price-support program. Those statements were made by Members of the Senate who come from areas outside the area that produces most of the basic farm commodities.

Let me say to the Senator from Florida and to the Senator from Vermont that the most rigid price controls and regulations we have in the United States are those affecting milk, and fruits, and vegetables. Certainly under the present milk orders, prices have been held at a rigid level over a long period of time.

Try as he might, no midwestern farmer can get a quart of milk into the New York or Washington market, or other eastern areas.

When Senators speak of people getting tired of some of these farm programs, they had better include such programs as I have just mentioned along with the programs under discussion and which have been so roundly criticized. In my opinion, programs affecting milk producers and producers of fruits and vegetables as well as basic commodities, are operating to the great benefit of both consumers and producers.

Mr. THYE. Mr. President, will the Senator from Florida yield to me for a moment or two?

Mr. HOLLAND. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Minnesota without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THYE. Mr. President, unfortunately, some of us who are members of the Appropriation Subcommittees have hearings scheduled for the afternoons during legislative sessions of the Senate. Thus we are denied the right to remain on the floor. If we do remain on the floor, we forfeit having the benefit of a great deal of testimony in the Appropriation Committee, when we should not be absent.

I have just returned from room F-39 in the Capitol. This afternoon we had before us representatives from the Navy Department testifying with reference to various appropriations which relate to their department. I could not be absent. I have been in that committee hearing from 2 o'clock practically up to the pres-

ent time, and the committee just concluded this afternoon's hearing.

I come to the floor to find tension in the Senate amongst Senators representing various segments of the agricultural economy of the United States. Senators are somewhat tense, and their feelings are tense. They have been debating this subject this afternoon. I do not know just what charges have been made against the farm support program; but I sense a feeling of tension in the Senate Chamber, as I stand here now, and I sensed it as I came to the Chamber a few moments ago.

Mr. President, there is absolutely no room for such tension among these Members of the Senate, some of whom represent agriculture in the deep South, some of whom represent agriculture in the Northwest, and some of whom represent agriculture in the central part of the Nation. We must confer with one another and must determine how best we can serve agriculture. We need to put our shoulders to the same wheel, so to speak, so that we shall be able to get the farmers out of the rut they are in.

I am disturbed because of the fact that in 1947 the farmer was receiving 54 cents of each dollar the consumer spent for food, whereas the last information I have obtained from the statistical section of the Department of Agriculture shows that today the farmer is receiving only 42 cents of each dollar the consumer spends for food, and that probably that amount will decrease to 41 cents. On the other hand, the consumer has not gained in the slightest—not even to the extent of a fraction of a penny—by way of any decrease in the prices he pays for agricultural commodities.

Mr. President, if during the last month the farmer received only 42 cents of each dollar the consumer spent for food, then we know that someone else is receiving the difference between the 54 cents the farmer formerly received and the 42 cents he now receives; the situation is simple. Since the farmer is receiving that much less, and since the consumer is not receiving the difference, where is it going? I ask that question, and I wish to have all my colleagues ponder it.

Each one of us should put his shoulder to the wheel and should confer with his colleagues, and should make every effort to determine how we can regain for the farmer a little of what he formerly received from the consumer's expenditures for food. If that cannot be regained for the farmer, then we had better make sure that the cost of food to the consumer decreases, inasmuch as the consumer is entitled to lower food prices if the farmer is not to receive the benefit of the increased prices charged for the commodities he produces.

Mr. President, House bill 1573 should be passed without extensive debate. House bill 1573 is a proper bill and a good bill. It would rectify a situation which is destroying good, sound soil-conservation practices throughout the land. The bill was introduced in an effort to correct the improper action taken by Congress last year, insofar as good farm practices are concerned.

It is my position that any attempt to amend House bill 1573 would be im-

proper, if it attached to the bill a provision which would cause it to be burdensome, and would result in having Members of the Senate vote against it for the reason that the bill then would carry an amendment or rider which would thwart our attempt to repeal a particular section of last year's amendments of the Agricultural Adjustment Act—a section which, in the course of a year's experience, has been found to be detrimental to the proper practice of soil conservation under a sound program.

So, Mr. President, I hope the debate on House bill 1573 will soon come to an end and that soon the Senate will vote on this measure, which should be enacted promptly, so as to repeal the restrictive provision to which I have referred, which has a tendency to destroy the fine soil-conservation program which, over the years, we have been endeavoring to perfect throughout the Nation. Certainly we need to perfect it and certainly we need to go forward with it rather than retreat.

Mr. President, I thank the Senator from Florida for yielding to me.

Mr. HOLLAND. Mr. President, I had about concluded my remarks. In fact, they would have been concluded a long time ago but for the generous number of questions which have been addressed to me by my distinguished colleagues.

I was speaking on the point of the manifest interrelationship between the soil-conservation program and the price-support program. I had commented that section 348 has made a specific tie-in between those two programs since the date of the enactment of the first Soil Conservation Act.

I had remarked, also, that certain sections of the Agricultural Adjustment Act had made specific reference to soil conservation, and vice versa; that certain sections of the Soil Conservation Act had made specific reference to price support.

I believe I have inserted in the RECORD a portion of section 7, namely, subsection 5 of section 7 of the Agricultural Adjustment Act of 1938.

I now wish to place in the RECORD a portion of section 401 of the Agricultural Act of 1949, as amended and reenacted last year as the Agricultural Act of 1954. It is my understanding that this provision, which is the basis for a price-support program, has been unchanged since the act of 1948 which bears the name of our distinguished friend from Vermont [Mr. AIKEN]. This provision has been unchanged since the act of 1949 which bears the name of our distinguished colleague from New Mexico [Mr. ANDERSON]. It was left undisturbed by the act of 1954.

For the purpose of brevity, Mr. President, I shall not read all the provisions of section 401, but I wish to read enough to make it clear that it refers to price support, and I shall quote two of the fundamental objectives of price support as contained in the statute itself.

Mr. President, there are 8 different factors listed, but I shall read only the first and the eighth of them, together with the beginning of the statement to which items 1 to 8 are appended:

The following factors shall be taken into consideration in determining, in the case of any commodity for which price support is discretionary, whether a price-support operation shall be undertaken and the level of such support and, in the case of any commodity for which price support is mandatory, the level of support in excess of the minimum level prescribed for such commodity:

Then are listed the factors Nos. 1 to 8 which the Secretary of Agriculture must consider in the cases of both mandatory supports and discretionary supports. They include, of course, under mandatory supports, both the basic commodities and the mandatory nonbasic commodities. The first item listed is:

(1) The supply of the commodity in relation to the demand therefor,

This means, of course, that the supply, the production, and the amount to be produced comprise the first factor for consideration.

The eighth factor—and it bears so completely upon the situation which has been discussed at too great length this afternoon that I wish to emphasize it—is as follows:

(8) The ability and willingness of producers to keep supplies in line with demand.

It is very clear that the program of price supports involves soil conservation and land use, and that the program of soil conservation involves economic questions of price, return, purchasing power, and the like, so that even without the inclusion of section 348 throughout all the years as being applicable to make specific the relationship between the price-support operation and the soil-conservation proposition, and even without the enlargement of section 348 last year, so that it now covers all of the basic commodities, it would have been certain that there is a clear relationship between the two operations.

I have already, likewise, quoted from the appropriation bill of last year and from the appropriation bill of this year as passed by the House and the Senate, and which is now in conference. In the particular item which has been quoted, there is no difference between the two Houses. We are now seeking to make it completely clear that the Secretary of Agriculture in his administration of the soil-conservation program must give great consideration to the acreage displaced by the price-support program, and that that is one of the primary objectives to which he shall give his concern.

In closing, I may say that it seems to me that the issue is very simple. It is whether or not we meant what we said last year when we decided to have a price-support program which was realistic, which would give to the growers the responsibility of keeping their supplies in line with demand, which would place upon our administrative officer the responsibility of seeing to it that supplies were kept in line with demand; and of making certain, so far as Congress is concerned, that nothing was done to weaken or destroy the effectiveness of that program, until it had a chance to demonstrate its efficiency or its lack of efficiency.

What we are asked to do is to strike down a very important provision of that program. To do so, in my humble judgment, will have a disastrous effect in that it will show rather affirmatively to all the people of the Nation that we are perfectly willing to have acreage allotments violated. I will not say that we will invite the violation of acreage allotments, because I would not impute that kind of objective to any fellow Senator. But I will say that the passage of the bill would open the door wide, and would leave it wide open, so that any farmer who cared to violate the law could do so, and he would not be subjected to any question at all as to his right to claim and to receive from our generous Government soil-conservation payments, notwithstanding the fact that his own conduct, in relation to the control of his own acreage and the control of his production, violated the purpose of the law and tended to thwart the purpose of the Government and the people in bringing about more stable and more satisfying conditions in agriculture, and at the same time, of course, a more satisfying situation to all the people of the Nation.

I do not believe the membership of the Senate wishes to be left in the position of having deliberately weakened the act, of having deliberately left open the door to violations of acreage allotments before, indeed, there has been any opportunity to demonstrate either of two things: The usefulness of the act as a whole, and the effect of section 348 upon any of the very useful agricultural programs of the Nation.

Section 348 along with other portions of the act has just gone into operation, and no person can state with accuracy what will be the result of a full year's trial or a full year's administration of the program as to its value or its lack of value to the people, and particularly its value or lack of value to the agricultural producers.

I hope the proposed substitute, which meets all the practical situations that are known to exist, and which leaves a club in the act, particularly over large mechanized producers, who have been the gravest violators, and will continue to be so, of their acreage allotments, will be agreed to, thus providing an opportunity to require compliance by other than soft words.

Mr. President, I suggest the absence of a quorum.

Mr. HUMPHREY. Mr. President, will the Senator withhold the suggestion of the absence of a quorum?

Mr. HOLLAND. I will withhold it for a moment, gladly.

Mr. HUMPHREY. I think some reply should be made to the discussion which has been in progress this afternoon, prior to having a quorum call. Will the Senator be kind enough to withhold his suggestion of the absence of a quorum?

Mr. HOLLAND. I had intended to have a quorum call, because some of my associates are not on the floor, and I wish to give them an opportunity to be present.

Mr. HUMPHREY. If the Senator wishes to have a quorum call, he will have to lose his right to the floor.

Mr. HOLLAND. I have already surrendered the floor and have suggested the absence of a quorum, which is, of course, within my rights.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I desire to submit a proposed unanimous-consent agreement, in order that Members of the Senate may know of our plans with regard to this evening and Tuesday next. I call the proposal to the attention of the distinguished minority leader.

I submit, on behalf of both the minority leader and myself, the following proposed unanimous-consent agreement:

Ordered, That, effective on Tuesday, May 17, 1955, after the conclusion of routine morning business, during the further consideration of H. R. 1573, a bill to repeal section 348 of the Agricultural Adjustment Act of 1938, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 2 hours, to be equally divided and controlled by the proposer of any such motion or amendment and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the bill shall be received.

Ordered further, That on the question of the final passage of the bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

Mr. HUMPHREY. Mr. President, the discussion on H. R. 1573 has digressed into many channels and many areas of interest. We have heard speeches raising the question whether or not partisanship was involved in the consideration of agricultural matters.

May I say that I stand here as the living testimony to the fact that there could be no partisanship? Here is an administration proposal which the junior Senator from Minnesota is trying to get through the Senate, and here is an administration proposal which the former chairman of the Committee on Agriculture and Forestry, the distinguished Senator from Vermont [Mr. AIKEN], is opposing. If there is any partisanship in that situation, it is something like Alice in Wonderland—it is upside down.

I seldom find myself in the rather unusual position of being an advocate of a recommendation from the Department of Agriculture, but I want it made crystal clear that that is exactly what is happening here tonight, namely, that the Department of Agriculture has called for the repeal of section 348 of the Agricultural Adjustment Act of 1938, as amended.

Mr. President, it will be interesting to note that the bill before the Senate was presented also to the Senate Committee on Agriculture and Forestry by a number of our colleagues. Those colleagues were the Senator from Kansas [Mr. CARLSON], the Senator from South Dakota [Mr. MUNDT], the Senator from Kentucky [Mr. CLEMENTS], the Senator from South Dakota [Mr. CASE], and the Senator from North Dakota [Mr. YOUNG].

It is also important to note that no objection was registered to this bill in the Senate Committee on Agriculture and Forestry. I say that after having carefully checked the record, which shows that no objection was registered by vote or by formal notice in the committee.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. How many members of the Committee on Agriculture and Forestry were present?

Mr. HUMPHREY. I do not recall. I only know there were no votes in the negative. I know the subcommittee was unanimous. If I recall correctly, the distinguished Senator from Vermont [Mr. AIKEN] was there at the time. I also recall that there was a quorum present at the meeting of the committee.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. I should like to say that the Senator from Vermont was late in getting to the committee that day. As I recall, most of the work of the committee had been done. Of course, if I had not been engaged in other official business, I might have been present at the committee meeting. But I wish to make clear that frequently I do not register an objection to the reporting of a bill with which I disagree for I believe that the Senate as a whole should be allowed to debate bills and to register its position on them.

Mr. HUMPHREY. Mr. President, I respect the judgment of the Senator from Vermont on these matters.

Mr. AIKEN. Although the record will show I was present in the committee on that day, I believe there were approximately three bills left to report when I arrived there.

Mr. HUMPHREY. I thank the Senator from Vermont for stating his position. I do not consider the fact that a committee member voted either one way or another on the question of reporting a bill to be of great importance in connection with consideration of the bill by the Senate.

Mr. ANDERSON. Mr. President, will the Senator from Minnesota yield to me?

The PRESIDING OFFICER (Mr. PAYNE in the chair). Does the Senator from Minnesota yield to the Senator from New Mexico?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. Mr. President, the Senator from Florida [Mr. HOLLAND] had asked to be present in the committee when the bill was considered. He was detained in the Committee on Pub-

lic Works, but was on his way to the Committee on Agriculture and Forestry. If he had reached the Committee on Agriculture and Forestry in time, there certainly would have been at least one vote in opposition to having the committee report the bill, and there certainly would have been some debate in the committee in opposition to having the committee report the bill.

But the Senator from Florida did not reach the committee in time. That situation was not the fault of any Senator. Such situations develop simply because all of us are too busy. Certainly no one was trying to harm anyone else. The Senator from Florida attempted to be present, but he was unable to be.

Mr. HUMPHREY. I appreciate that.

Mr. HOLLAND. Mr. President, will the Senator from Minnesota yield to me?

The PRESIDING OFFICER (Mr. CASE of South Dakota in the chair). Does the Senator from Minnesota yield to the Senator from Florida?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Mr. President, what the Senator from New Mexico has said is correct. A large delegation from Florida had come to see me regarding a matter then before the Agriculture Subcommittee of the Senate Appropriations Committee, and I had made a telephone call to the chairman of the Committee on Agriculture and Forestry, and had asked that action on this bill be postponed until I was able to reach the committee. The chairman advised me that although the committee's meeting had barely begun, the bill had already been voted to be reported; and later he told me that objection was made to a request for reconsideration of that action by the committee.

So my dissent was quite clearly voiced in the only way I could then voice it—namely, over the telephone, for I did not have an opportunity to be present.

Therefore, Mr. President, under the circumstances I believe the Senator from Minnesota would not say that I agreed to the reporting of the bill by the committee.

Mr. AIKEN. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I do not yield at the moment.

Mr. President, I was only stating the facts. It is a fact that in the committee there no vote in opposition to reporting the bill. It is also a fact that a quorum of the committee was present.

Mr. President, I shall not yield for the moment for a discussion of these technicalities, because the RECORD has been made perfectly clear by the Senator from Florida and by the Senator from Minnesota.

An effort has been made to show that the Department of Agriculture is uncertain as to its stand on the bill. I wish to have the RECORD made perfectly clear, in showing that the Department of Agriculture is not uncertain with regard to its position on the bill. The Department of Agriculture may be overly polite to the supporters of the Benson farm program; but when the chips were down and when the Department had to face

its responsibility, it made its position clear.

I am sure it must be difficult for the Department of Agriculture and the Secretary of Agriculture and his many advisers who have been referred to today, to have to disagree with the Senator from Florida [Mr. HOLLAND], who, a year ago, did such yeoman service for them. I am sure it must be difficult for the Secretary of Agriculture to have to tell the Senator from Vermont [Mr. AIKEN] he is wrong. I am sure it must be difficult for the Secretary of Agriculture to have to tell my good friend, the Senator from New Mexico [Mr. ANDERSON], that the Department cannot agree with his position.

Mr. President, the Secretary of Agriculture has been praised very much by my three distinguished colleagues. But is not it interesting for us to note that when the Secretary of Agriculture and his associates have been asked whether they could go along with the Holland amendment—and I can imagine that there was a pleading voice or at least compelling argument on that score—the Secretary of Agriculture and his Department have said, "No."

Let there be no doubt about the matter insofar as the RECORD is concerned. I am unwilling to have the RECORD indicate that there has been any vacillation on the part of the Department on this issue; and I shall not permit the RECORD to indicate that, somehow or other, the Secretary of Agriculture got in line and was committed and that, even though now, on second thought, he might think differently, yet, since he was committed, he is "staying with it."

Mr. President, I cannot believe that a man of principle, such as Ezra Taft Benson, would permit anything of that sort to be done in the name of political expediency. I am sure that if a man of such principle thought the facts compelled him to change his mind, he would speak out and would say so.

What is the statement we have received from the Department of Agriculture? It is as follows:

Statement reaffirming position with respect to a proposal to repeal section 348 of the Agricultural Adjustment Act of 1938, as amended.

Mr. President, I shall read the statement, as set forth in the memorandum coming from the Department of Agriculture. I have this statement from the Department of Agriculture, from the Under Secretary and the Assistant Secretary:

After careful additional review and analysis by the Department of the proposal to repeal section 348 of the Agricultural Adjustment Act of 1938, as amended, we wish to reaffirm our position that this section be repealed. While the amendments proposed by Senator HOLLAND with respect to certain technical objections which we had to this section are generally met, nevertheless we feel that there should be no relationship between eligibility for ACP payments and participation in an allotment and marketing-quota program. In view of the fact that marketing quotas are in effect for all the basic commodities except corn, the eligibility requirement of section 348 will, even after amendment—

Even after the Holland amendments—affect principally those farmers with corn allotments. Also there will necessarily be a tremendous amount of administrative detail. In view of the principle involved and the discriminatory nature of the present legislation, we recommend repeal of section 348.

Mr. HOLLAND. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I decline to yield for the moment.

Mr. President, my friends, who are so able, and who have explained here, for hour after hour, their amendment—my friends and colleagues, the Senator from Florida [Mr. HOLLAND], the Senator from Vermont [Mr. AIKEN], and the Senator from New Mexico [Mr. ANDERSON], who have participated in this debate—can explain, and explain, and explain, and they can lead us off into one side road after another; but when the Secretary of Agriculture and his Department were faced with the necessity of making a decision, even after the argument and the persuasive eloquence and the perseverance of the Senator from Florida, the Secretary of Agriculture and his Department said:

We recommend repeal of section 348.

Mr. HOLLAND. Mr. President, will the Senator from Minnesota yield to me at this time?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Who signs that communication, I should like to ask.

Mr. HUMPHREY. This is a communication from Mr. McConnell.

Mr. HOLLAND. Did he sign it?

Mr. HUMPHREY. No; but he sent it to me, after a telephone conversation. Does the Senator from Florida doubt that it was sent to me?

I read:

Office of the Secretary of Agriculture, as per our telephone conversation of this morning.

And it is dated "5/9/55."

I doubly checked with Mr. McConnell because of private conversations between myself and the Senator from Florida. I had my administrative assistant check with Mr. McConnell.

While the Department of Agriculture said the amendment of the Senator from Florida might solve some of the difficulties, yet the Department recommended repeal.

I know the Senator from Florida has made a pretty good argument with a fairly bad amendment, and I wish to compliment him on doing what I consider a first-class job on a second-class proposition—and that is no small assignment.

The Senator from Florida has retained in his amendment the language of section 348. He fathered this language. It means something. I now read from the amendment:

Any person who knowingly harvests an acreage of any basic agricultural commodity on his farm which has been determined by the Secretary to be in excess of the farm acreage allotment for such commodity for the farm for such year under this title shall not be eligible for any payment for such year under the Soil Conservation and Domestic Allotment Act, as amended.

That was the original intent, namely, that no payments whatsoever for soil conservation should be made under this title if there had been any variation or any violation of the allotments. Then, after having set forth that noble principle, we find line after line—14 lines—of the amendment to prove to the people and to the country and to the Senate that we really did not mean it. In other words, it is proposed that we follow the moral principle of providing a penalty, and that we provide for rigid control, but that then we say, "But in order to please the wheat growers, we will provide for a little exception, a little later on; and in order to please the peanut growers, we will provide for another little exception, a little later on; and in order to please those who produce corn, if they produce it only for ensilage, we will provide for a little exception for them, too."

In short, Mr. President, the amendment amounts to a botched-up job. I commend the Department of Agriculture for adhering to principle and for refusing to agree to an amendment which does not do the job, and I shall prove that the amendment does not do the job.

Mr. YOUNG. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. YOUNG. I am very happy to have the Senator from Minnesota make the record clear, for I understand that earlier today the impression was given—given again, let me say—that the wheat farmer is the villain. However, now we find, from the Department's own statement, that this provision affects primarily the corn farmers, who are located principally in the Eastern States.

Mr. HUMPHREY. Indeed so.

Mr. YOUNG. In Minnesota and North Dakota, and other States in our area, there is very little noncompliance. The farmers are very careful to comply with all the regulations under the price-support programs.

Mr. HUMPHREY. The Senator is correct. Will the Senator tarry a moment and listen to what the National Grange has to say? The Grange favors the repeal of section 348. There was an indication today that only the Farmers Union—even though I consider it to be one of the truly great agricultural organizations of the Nation—came forward and testified in opposition.

Mr. President, the National Grange, through its legal consultant, Joseph O. Parker, speaking in behalf of the National Grange, in its convention assembled, made the following statement:

The Grange favors the repeal of section 348.

The executive committee of the National Grange, on January 24, 1955, adopted a resolution authorizing the national office to seek repeal of this provision. It was their view that payment for conservation practices should not be used as an enforcement measure to obtain compliance with other programs unrelated to conservation matters.

There is no longer any direct relationship between the agricultural conservation program and the acreage allotment and marketing quota program. Conservation payments are so small that, in the main, they would have little effect from the standpoint of en-

forcing compliance with acreage allotments, but their denial might prove costly in the way of "lost" conservation.

I invite the attention of the Senator from North Dakota to this:

In addition, the farmers who are most likely to be affected if section 348 remains in the law are the small farmers who need every encouragement to continue carrying out needed conservation practices.

In other words, the way the law is now written, the small farmer is damaged; and if we repeal section 348, it will be helpful to the family-sized farm.

The National Grange is no special interest group. This organization has a reputation second to none for integrity, for honorable purpose, and for objective analysis of many legislative proposals which affect American agriculture.

I wish also to invite the attention of my colleagues, as they read this RECORD over the weekend and prepare to return to vote on this issue on Tuesday, to the fact that the Assistant Secretary of Agriculture, Hon. Ervin L. Peterson, said:

This section does not appear to be effective in influencing farmers to comply with acreage allotments.

In other words, section 348 is a dud, a mistake. It has only caused trouble for the Department and for the farmers.

It seems to me that instead of having pride of authorship, instead of being persistent in demanding that this section be maintained, even if its very purpose were practically distorted by amendment, the thing to do would be to take it out of the law, because it is administratively ineffective, because it perpetrates an injustice and an inequity upon the farmers themselves. It is doing a terrible thing to soil conservation. Today thousands of farmers in America are being denied soil conservation payment benefits simply because of this provision in the present agricultural law. Those farmers are not, as the Senator from Florida [Mr. HOLLAND] said, "on a free ride to prosperity." Those farmers pay 50 percent of the cost of soil conservation practices. They get a 50-percent helping hand from the Federal Government. This program is a part of the diverted acres program. It is a part of the national conservation policy. Our Government, from the Secretary of Agriculture down through the Soil Conservation Service, is deeply concerned over the impediment which has been placed in the way of sound soil conservation practices by a very unfortunate amendment to the Agricultural Adjustment Act which was adopted in 1954—an unfortunate amendment to an unfortunate and unpardonable piece of legislation.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. YOUNG. Does the Senator know who wants this amendment, besides certain Members of the Senate?

Mr. HUMPHREY. Certain groups of the American Farm Bureau Federation sent representatives to testify in behalf of it, but Mr. Lynn, when he came here to testify, said that the Iowa Farm Bureau was opposed to it. How many more farm bureaus are opposed I do not know,

but I do know that the only registered opposition before the subcommittee was from the Farm Bureau, and even that was not too positive, because, as I have mentioned, in the testimony one of the largest sections of the American Farm Bureau Federation, the Iowa Farm Bureau, was said to be for the repeal of section 348.

Mr. YOUNG. Does the Senator agree that if this question were left to a vote of the farmers themselves, there would probably be no more than 2 percent of the farmers who would approve of the amendment, and that they would probably be the silk-stocking class?

Mr. HUMPHREY. I think the Senator is correct, and I think he is being generous in his percentage.

What was the purpose of the soil conservation program? Was it to punish farmers? Was it a disciplinary measure? Not at all. The fact that soil conservation payments were tied in with cotton has no direct relationship to soil conservation payments being tied in with other crops. First of all, there are no production quotas with respect to corn. There are acreage allotments. With respect to cotton, there are both production quotas and acreage allotments. Therefore the control over it is much more rigid. In years gone by there have been farmers who have not agreed to acreage allotments. But we did not try to tamper with the program of soil conservation or to use it as a punitive measure with respect to those who were unwilling to go along with allotments.

What is the penalty for a farmer who does not abide by acreage allotments or production quotas? I will tell the Senate what the penalty is. It is much more severe than the loss of \$50 of soil conservation payments. The penalty is no crop loans on his crop, no price supports on his crop. That is an effective penalty. Soil conservation is supposed to have the constructive purpose of building up the soil, and of teaching farmers soil conservation practices, in order to help them to make the soil more productive, to use diverted acres, and to hold those diverted acres in grasslands, and to engage in other soil conservation practices.

I think it is most important to note that all the testimony which came to us underscores everything that those of us who are supporting this amendment have had to say.

I listened with keen interest to the attempts which were made to try to make us believe that the Department of Agriculture did not mean what it said. Let me refer again to what the Department of Agriculture had to say:

Also, the present average ACP amount of cost sharing of less than \$100 is not large enough to be a strong incentive for farmers to comply with acreage allotments.

The principle effect of this restriction on ACP assistance will be to discourage conservation on family-type farms.

That was not only from Mr. True Morse, Under Secretary, but it was from the Farmers Union, and from the National Grange.

It is very strange to find our friends, who are supposedly supporting the Farm Bureau position, speaking in direct con-

tradition of the Farm Bureau position. The Farm Bureau says that we ought to separate soil conservation completely from the allotment and production quota systems. The Farm Bureau recommends that we place the entire soil conservation program back in the hands of the States, in the Extension Service.

We find those who are basing their action in part upon the testimony of the American Farm Bureau Federation indicating that there ought to be a direct relationship in terms of production controls and soil conservation, with penalties.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. Do I correctly understand the Senator to say that he is astonished that the Farm Bureau Federation does not own the Senator from New Mexico?

Mr. HUMPHREY. Not at all. I was astonished that my colleagues, able and distinguished as they are, tried to base a part of their case upon the position of that organization. The only witness to come before the subcommittee in opposition to the repeal of section 348 was the witness of the Farm Bureau Federation, and it was lukewarm in its opposition. Even then it was not unanimous opposition, because the Iowa Farm Bureau was in favor of repealing section 348. What I am saying is that the only outside evidence and support that we can point to from great farm organizations is from the Farm Bureau Federation, and their position is that soil-conservation practices and programs should go back to the States, and much of it put in the hands of the Extension Service.

All I am trying to do is to keep the record straight. I listened this afternoon with considerable interest to the comments about the advisers to the Secretary of Agriculture. Those are the same advisers my distinguished colleagues held in such esteem a short time ago. Those same advisers have been advising the Secretary all along the line. They must be right once in a while. They have apparently come to realize the unfortunate effects of the provisions of section 348. Those advisers, from the head of the soil-conservation program up to the Under Secretary of Agriculture, have stated that this section should be repealed.

I have just 1 or 2 other comments to make on this subject, and I shall yield the floor on this particular item.

I wish to call to the attention of my colleagues the statement of the Senator from Kansas [Mr. CARLSON]. I regret he is not on the floor. I had hoped earlier today that I might have a chance to speak with him about his statement. The Senator from Kansas was one of those who proposed a bill to repeal section 348. It is S. 494. What did that bill propose? It proposed to repeal section 348.

The Senator from Kansas listened to the persuasive argument—and it was a persuasive argument—of the Senator from Florida [Mr. HOLLAND]; that is, it was persuasive so far as the argument went. The Senator from Kansas came

at least close to saying that possibly the amendment of the Senator from Florida met his objections to section 348. I wish the Senator from Kansas were here. However, I shall rely upon the written record. I want to read from the statement the Senator from Kansas made to the chairman of our committee. He said:

Mr. Chairman, my bill (S. 494) was introduced for the purpose of repealing section 348 of the Agricultural Adjustment Act of 1938, as amended. I feel that it was never intended or contemplated even remotely that the agricultural conservation program should be tied in with the acreage-allotment and marketing-quota law.

The Senator from Kansas says it was never intended or contemplated, even remotely, that the agricultural conservation program should be tied in with the acreage-allotment and marketing-quota law.

I should like to say to my friend from Kansas that the Holland amendment does tie it in. The Holland amendment is predicated upon the proposition that there is a tie-in and a tie-up between soil conservation payments and acreage allotments and production quotas.

I only hope that our good friend from Kansas in reviewing the RECORD will see that the bill he offered is in conflict with the amendment offered by the Senator from Florida and his associates.

I continue with the statement of the Senator from Kansas:

The effect of this amendment, which is now section 348, was to deprive a farmer of his ACP payments if he knowingly exceeded his acreage allotment on any one of the crops then under control. I do not believe there was any element of control contemplated in the original ACP program.

The provision I am attempting to repeal here will particularly affect corn and wheat producers. It will not have any material effect on cotton and peanut and tobacco producers because those commodities are under marketing quotas whenever acreage allotments are in effect, and that almost automatically prevents any farmer from being out of compliance.

Is it not interesting to note that cotton and tobacco and peanut producers for all practical purposes are not affected by section 348? However, the producers of corn and wheat, who have taken severe acreage cuts and have had millions of acres taken out of production, and have suffered a drop in price, should be denied soil-conservation payments.

The situation with respect to cotton and corn is entirely different even under the law, so far as controls and regulations are concerned.

The legislation we are talking about repealing, that is, section 348, is designed in part to help out the farmers who produce wheat and corn in areas that are now arid, drought-stricken, wind-blown, and who are the victims of pestilence. It would give them a little soil-conservation benefits.

If my colleagues wish to apply more severe penalties for violation of acreage allotments, let them write those penalties into law. However, let us not use such a constructive, progressive, and forward-looking program as the soil-conservation program as a club to

discipline those who in some manner or another exceed their allotments. We should have soil conservation even if we never have any acreage allotment. We would need soil conservation even if we never heard the words "production quota."

I am happy to note that the Department of Agriculture, on second thought, feels that section 348 is not advisable, that section 348 works in contradiction to the purposes and needs of the farm program, and that section 348 should be repealed.

The distinguished Senator from South Dakota [Mr. CASE], who presides over the Senate at this time, also presented a bill before our committee. I may say that it was a bill that had exactly the same purpose as H. R. 1573. His bill is known as S. 517. It is noted and referred to in the report of the Committee on Agriculture and Forestry, Report No. 210.

I have before me the statement of the Senator from South Dakota. It is important that I read 1 or 2 sections of his statement:

This provision of the law—

Speaking of section 348—

was severely criticized by the groups as they do not wish to have this provision applied to wheat or corn. We have had a number of letters requesting that some action be taken to have the above section repealed.

In 1954 in South Dakota it now appears that the compliance in the corn allotment program will only be about 40 percent; in other words, 60 percent of the farmers in the commercial corn area will have overplanted their allotment.

In other words, 60 percent of the farmers do not get the benefit of crop loans, or the price-support program, which is based on crop loans. They have to go into the free market. They must take lower prices. That is enough penalty for one who does not want to abide by the production-control program of the Government.

The Senator from South Dakota continues:

They have lost their price-support protection, but under the present provision governing the 1954 program they will still be eligible to receive Federal cost-sharing payments under the agricultural conservation program. In 1955, if similar conditions prevail, they will not be eligible for ACP payments. It is the general feeling of the farmers that price support should not be tied in with the AC program. Under the price-support program, the producer is being guaranteed greater returns for his product and he receives a direct monetary benefit; but in the case of the Federal cost sharing in the AC program the producer must contribute out of his own pocket not less than 50 percent of the cost of carrying out the practice. The benefits accruing from the conservation practices may not be of a monetary benefit to him immediately; in fact, it may take several years before he realizes any financial benefit from the practices carried out, but the consumers of the United States are assured that the benefits of the soil- and water-conservation program will insure to them a plentiful supply of food and fiber from the farms and ranches of America.

For this reason, therefore, I introduced S. 517, a bill to repeal section 311 (a) of the Agricultural Act of 1954, Public Law 690, 83d Congress.

I appreciate the opportunity to present this information to the members of the Senate Agriculture and Forestry Committee and will appreciate any considerations given to S. 517.

Mr. President, I think that is a pretty persuasive argument. The Senator from South Dakota has placed his finger on the truth in this particular case. A soil-conservation program has long-range benefits, regardless of any kind of price-support program. A soil-conservation program stands on its own merits, regardless of any acreage allotments and marketing-quota provisions tied into a price-support program. I repudiate the effort which is being made to try to treat these two separate and distinct programs as if they were siamese twins. They are, in fact, separate programs. We might have a soil-conservation program without any price-support program whatsoever. We do have soil-conservation programs for land on which there are no crops which are price supported.

It is interesting to note that the soil-conservation payments which are being used as the penalty are being so used only for those crops which are basic commodities. There are other crops that are planted. There are barley, oats, rye, substitute crops for corn and wheat. Yet section 348 was directed essentially at the so-called basic commodities.

Mr. President, I wish the RECORD to be clear that nonbasic commodities are also price supported. Yet, if my memory serves me correctly, section 348 applies to the basic commodities.

Mr. President, I hope that when we finally come to vote on this bill on Tuesday we shall keep one thing in mind, not whether we are for high price supports or flexible supports, not whether Secretary Benson is the world's greatest Secretary of Agriculture or is a person of lesser capacity, not whether or not those of us who voted in 1954 were right or wrong, but to concentrate our attention on this particular proposal, namely, the repeal of section 348.

Why do I ask this? Because right now farmers need to know what the policy of the Government is going to be. They need to have a sense of direction from the Department of Agriculture as to what the soil-conservation policies are to be. I can say, in all candor, that they are not going to get much sense of direction from the Holland amendment because it opens up a Pandora's box for administrative abuse, for administrative discretion, and for administrative detail. I listened to the Senator from Florida say that if a farmer violates an acreage allotment it can be measured and ascertained whether there was too much planted or produced. Mr. President, the Department does not have enough people to do that kind of thing. That is why the Department has said in their statement to me that there will necessarily be a tremendous amount of administrative detail, that they will be spending a good deal of time, money, and effort on administrative management of an amendment that is administratively impossible and unwieldy.

So, Mr. President, I hope the Senate will reject the amendment when it is

called up. I recognize that there may be a feeling that the whole subject matter needs to be further discussed. The Senator from South Dakota [Mr. MUNDT] offered what I thought was a fair and reasonable alternative. He said:

Let us proceed with the repeal of section 348 and then let the Holland amendment go to the Committee on Agriculture and Forestry, where representatives of the Department and representatives of organizations which are interested can testify, and we can determine whether there is merit to any of the provisions of the amendment and whether the act of 1954 should be further amended.

I hope that that procedure may be followed, but it appears that it will not.

ADDRESS BY SENATOR LEHMAN AT THE STEPHEN WISE AWARD DINNER OF THE AMERICAN JEWISH CONGRESS

Mr. MORSE. Mr. President, I should like to call attention to the fact that last night one of the most beloved Members of the Senate, the Honorable HERBERT H. LEHMAN, of New York, received the annual Stephen Wise award at a dinner of the American Jewish Congress at the Statler Hotel in Washington, D. C.

In accepting the award Senator LEHMAN made a brilliant speech, one which I think will glow in history as a shining example of the statesmanship of the Senator from New York. At this time I should like to read into the RECORD several paragraphs of his speech, in the course of which he discussed civil rights and civil liberties.

On the subject of civil rights, Senator LEHMAN had the following to say, in part:

I do not know whether I will live to see the day when equal rights are assured—and enjoyed—by every citizen, without discrimination or segregation, direct or implicit. Nor do I know whether enough years will be granted me to observe that day when civil liberties are again enshrined in their proper place in America, and exercised freely, without fear or reproach.

But I pledge you tonight that in what years are left me I will continue to strive toward those goals and to make available what energies and talents I have to the common effort to realize them.

Mr. President, I wish to say that the sentiments expressed in that beautiful statement by Senator LEHMAN only mirror the record the Senator from New York already has made in the field of civil rights. I am sure I express the hopes and prayers of all Members of the Senate when I say we trust he will enjoy a great many more years in the Senate of the United States, to continue the great fight he has made for civil rights and civil liberties.

A little later in his speech—and I now refer to page 4—we find the following statement, on which I wish to comment:

Yet, as Walter Lippmann has brought out so brilliantly in his recent book, "The Public Philosophy," free debate is the heart and soul of democracy. It is the justification of democracy. Without it, democracy does not and cannot function. Unless the representatives of the people can freely debate, and the people freely hear all the argu-

ments, pro and con, on all public questions, democracy becomes merely a form and a phrase. Representative government, without free debate, can become as oppressive as totalitarian government or as destructive and chaotic as anarchy itself. In either case, the end and the result are the same.

Mr. President, I have read that part of Senator LEHMAN's speech because, in making that statement, he has set forth one of the basic tenets of my own political philosophy, a tenet which Senator LEHMAN has exemplified and personified time and time again here in the Senate. In that connection, I have seen him stand almost alone in the Senate, Mr. President; and only in recent weeks he has demonstrated once again his dedication to the principle set forth in the part of his speech I have just read, his devotion to the principle that free debate is important to the maintenance of our freedom, and his belief that all Members of the Senate, even when they are in a small minority, must be sufficiently courageous to fight for the maintenance of free debate and the opportunity to express views which differ from those of the majority on any issue, and must be perfectly willing to let history judge of the correctness of their course of action.

Mr. President, I have been so favorably impressed with Senator LEHMAN's speech, and I have been so greatly moved by its symbolism in relation to the meaning of democracy, that I ask unanimous consent to have the entire speech printed at this point in the body of the RECORD, as a part of my remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR HERBERT H. LEHMAN AT STEPHEN WISE AWARD DINNER OF THE AMERICAN JEWISH CONGRESS, STATLER HOTEL, WASHINGTON, D. C.

I would be insensitive, indeed, if I were not moved by this gathering tonight of so many good friends assembled here to do me honor.

When I was advised that I was to be given the Stephen S. Wise award, I expressed to the American Jewish Congress my heartfelt thanks and appreciation. I renew that expression here tonight upon the actual receipt of that fine and inspiring award. And I am happy to present the \$1,000 check I have just received to the United Jewish Appeal, to further the humanitarian work which that fine organization has carried on for so many years.

The award given me is for service in the cause of civil rights and civil liberties. I said a year ago—it is still true tonight—I consider the award as much a mandate for the future as a recognition of the past. I judge the goals in question to be so far from achieved, and yet so vital to our national salvation, that none of us dares rest on past contributions. This cause continues to challenge the devotion of every American.

I do not know whether I will live to see the day when equal rights are assured—and enjoyed—by every citizen, without discrimination or segregation, direct or implicit. Nor do I know whether enough years will be granted me to observe that day when civil liberties are again enshrined in their proper place in America, and exercised freely, without fear or reproach.

But I pledge you, tonight, that in what years are left me, I will continue to strive toward those goals, and to make available what energies and talents I have to the common effort to realize them.

I want to call special attention to the work of an organization known as Youth of All Nations, Inc., seeking to build lasting peace through young understanding. This organization is dedicated to developing pen pals throughout the world. Young people of other lands are so eager for letters that thousands of more letter writers are needed in this country.

As an example, Mr. President, I ask unanimous consent to have printed in the RECORD at this point a letter to me from five members of Youth of All Nations, appealing for more American pen pals to write to Asians and Africans. What could be more appropriate for us to encourage at this time?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 23, 1955.

DEAR SENATOR HUMPHREY: The undersigned have personal friends in most of the countries represented at the Asian-African Conference being held in Indonesia. We think thousands of other Americans, now more interested in that important area, would also enjoy increasing their understanding of it through correspondence with individual Asians and Africans, if they just knew how to go about it. Will you then help us tell them?

Will you introduce your constituents to Youth of All Nations, Inc., a nonpolitical, nonprofit organization we belong to which makes such contacts possible? Say, please, that we invite all between the ages of 14 and 27 to join us. They will find membership informative, challenging, and fun. They will find our bulletin, *Mirror for Youth*, a unique way to keep in touch with the thousands of members no one can write to personally.

YOAN helps youth everywhere, regardless of nation, race, or religious beliefs, to understand each other's ways and purposes through the only means available to most of mankind—the personal letter. How many of the world's people can, after all, be exchange students or even tourists? During the past 8 years our program has sparked hundreds of thousands of friendly international letters. As we are plain, not official, Americans, our overseas friends readily accept what we tell them about democratic life here. And we, as citizens of an old democracy, are watching the progress of the newer democracies.

We believe you will welcome knowing of private enterprise like YOAN and will like the idea that, although it is informally helpful to that part of the Congress concerned with our country's foreign affairs, no Government funds are involved. Our work has, it happens, been praised before Congress by Representative FRANCES P. BOLTON, Ohio Republican, in the *Democratic Digest*—September 1954 issue, and in important newspapers. Educational and religious leaders endorse it.

We urgently need more young Americans to write to our fellow YOAN-ers in Indonesia, the Philippines, Vietnam, Syria, India, Japan, the Gold Coast, etc., and thousands in Europe, Australia, Latin America, and various islands. For they all want a pen friend in the United States of America. So we, representing the United States members of Youth of All Nations, Inc., appeal for help. Anyone interested not only in telling the American story abroad but also in finding out more about average life in other countries should send a nickel and a self-addressed, stamped envelope to Clara Leiser, executive director, 16 St. Luke's Place, New York 14, N. Y.

Thank you, sir, for aiding our efforts to improve international relations.

Respectfully,

YOUTH OF ALL NATIONS, INC.
HENRY FERNANDEZ.
AUDREY E. DAVIDSON.
ROY BLUMENTHAL.
NORMA JAEGER,
RUTH SANDMAN.

NEW YORK, N. Y.

Mr. HUMPHREY. Mr. President, I hope young America will respond eagerly to that appeal. It has been backed up to me in another letter from the executive director and moving spirit of Youth of All Nations, Clara Leiser. I ask unanimous consent for it to appear at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

YOUTH OF ALL NATIONS, INC.,
New York, N. Y., April 26, 1955.
The Honorable HUBERT H. HUMPHREY
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: May I stress the urgency of the accompanying appeal? The five signers represent about 1,000 American "YOAN-ers," who are trying, valiantly, to satisfy many thousands of non-Americans waiting for a personal pen-friend in the United States of America. Can you mention the appeal in your weekly newsletter or radio report? We need thousands of active United States members to help convince youth the world over that this Nation is devoted to achieving a world at peace.

Right now there is high and special value for our country in the simple, forthright, friendly Youth of All Nations approach to youth overseas. We ask them, you see, what they want better known about their own countries—what misconceptions they feel others have about them—what countries and people they find hard to understand. You might be surprised to see how often "the U. S. S. R. and the U. S. A." appears.)

We keep track, too, of current articles and books on foreign affairs. The following very recent observation bears tellingly on our work in Asia. "Where the Government leaves off * * * private enterprise can begin. Individual Americans * * * can speak with a freedom and * * * with the diversity of points of view that is the true strength of democracy. * * * The private American can more easily enter into the free and unhindered give-and-take of ideas on which our whole concept of democratic progress depends. * * * We should establish fruitful intellectual contacts at every possible level."

We believe the YOAN program responds to those recommendations, and we hope you will agree that our success thus far warrants our asking support to realize YOAN's full potential for United States and world good. Will you help us reach adults who would contribute supplies and/or money? These are income-tax deductible.

YOAN really is winning the minds of the young—and their hearts. But even our modest program requires funds. If, as one vitally concerned with the foreign relations of our country, you agree that American youth can be powerful private voices of America, will you help us to secure a grant from some foundation whose funds are available for peace-building?

Extra important is our small but really loved *Mirror for Youth*, in which "YOAN-ers" share what they learn from correspondence, and "Headquarters" share what we learn from them all. Want of funds has prevented our issuing MFY as often as we

should. Thousands of fine young people are waiting for it.

For what you may do to help this down-to-earth program which works, thanks.

Sincerely,

CLARA LEISER.

Mr. HUMPHREY. Mr. President, this body has given considerable thought to problems of juvenile delinquency. I think it would be well to consider the comment of a young Minnesota girl, a new member of Youth of All Nations, Diane Clarity of International Falls, who wrote in her application to this organization:

It certainly gives you something constructive to do. If more kids had pen-pals, there would not be so much "juvenile delinquency."

Clara Leiser informs me that United States youth as a rule feels rather bitter about having the whole world think all United States youth is delinquent—as the nature and volume of this publicity given to juvenile delinquency could seem to make them think. Here is a great chance for youth to speak out for itself, and show young people of other lands the real backbone of American youth.

It has been somewhat embarrassing for leaders of this movement to have to tell many overseas members that there are not enough young Americans willing to become pen-pals and answer their questions about the United States of America, giving them an unfair impression that United States youth may be less concerned about contemporaries abroad than the latter are about them. All I think American youth needs is encouragement and the opportunity to learn how many can take part in this great undertaking. They can be a great force for good, and help build for peace.

Let me suggest that anyone interested in furthering this work among young people get in touch with Youth for All Nations, 16 St. Luke's Place, New York 14, N. Y.

In conclusion, Mr. President, I ask consent to have printed in the RECORD just two of thousands of typical comments about this program from the files of Youth of All Nations.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

Vicki, an American young woman: "I'm a better newspaper reader these days. How come? I now have personal friends in 'headline countries.' I know how they view this or that about the United States of America, and what they want us to know about them. First-hand accounts of education in Maylaya, reaction to American foreign policy in Germany, little known customs of the Irish and the Greeks, have made me an avid reader of all world news, and now I would like to help your readers share my pleasure in 'YOAN-ing.'"

Jagjit, a member in India: "We [that is, he and his correspondents in four different countries] have developed a good understanding and friendlier world true to the spirit of the organization—YOAN. So much so that even our parents share our views. After this 1-year-old correspondence, I am fully conversant with almost all the traditions and customs of [my friends] countries."

AMENDMENT OF SECTION 708 OF AGRICULTURAL ACT OF 1954

Mr. ANDERSON. Mr. President, I received today a telegram from the National Wool Marketing Association telling me that a very disastrous amendment would be presented on the Senate floor; that they did not know the full import of the proposed amendment, but understood it to be an attack on cooperatives.

I can only suggest to those who sent the telegram that it is a strange message for me to receive, when I realize who it was who put wool into the Agricultural Act of 1954 by an amendment. I put it there because I thought it was good, and the Senate Committee on Agriculture and Forestry agreed with me.

I believe it is bad policy to say that the cooperative associations shall be allowed to cast the votes of all their producer members. I believe that when they are paying taxes they ought to be given an opportunity to express themselves on the issue. Therefore, I had favored eliminating from the provisions of section 708 the part which reads as follows:

Approval or disapproval by cooperative associations shall be considered as approval or disapproval by the producers who are members of, stockholders in, or under contract with such cooperative association of producers.

I do not intend, however, to offer such an amendment without consultation with the Members of the Senate who come from wool-producing States and who have been very active in wool legislation. Almost without exception, they have asked me to present this proposal in the form of a bill, which I intend to do.

I now ask unanimous consent, out of order, to introduce a bill to amend section 708 of Public Law 690, 83d Congress, 2d session, in order that it may come properly before the committee and hearings may be held upon it.

The PRESIDING OFFICER (Mr. CASE of South Dakota in the chair). The bill will be received and appropriately referred.

The bill (S. 1980) to amend section 708 of Public Law 690 of the 83d Congress, 2d session (the Agricultural Act of 1954), introduced by Mr. ANDERSON, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

REPEAL OF SECTION 348 OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938

The Senate resumed the consideration of the bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938.

Mr. ANDERSON. Mr. President, I intend to say a few words about the amendment which has been discussed, and then for a few minutes I plan to discuss farm income in the United States, where it is going, and why it is going there.

I had considered offering an amendment to the bill which would not have been germane to it, but I was agreeable to the unanimous-consent agreement en-

tered into a few moments ago which precluded any amendments which were not germane, because I had not intended to call up my amendment.

The very able Senator from Minnesota [Mr. THYE] referred to the fact that those of us who had felt that a different version of a repeal or a modification of section 348 should be adopted did not have much support in the hearings before his subcommittee; that there was only one witness who seemed to speak for it, and many persons who seemed to speak against it.

I would only say that not too long ago, I was reading a little play called *Enemy of the People*, written by a fine Norwegian playwright. He said that he had finally come to a certain conclusion, which was this: That the strongest man in the world is he who stands most alone.

In agricultural policy, frequently persons find it necessary to stand alone. If in this particular instance the Secretary of Agriculture, all the farm organizations, and all their cohorts were on one side, I am certain the Senator from Florida [Mr. HOLLAND], the Senator from Vermont [Mr. AIKEN], and the junior Senator from New Mexico might continue in their position if they thought the proposal was a bad one.

I take only a line or two from the hearings. Much has been said about the benefits in the ACP payments. I certainly would not dispute that; but I would not want anyone to believe that ACP payments are any key to financial success for the farmers of the Nation. As I shall shortly point out, they are having a very difficult time. It is not because their ACP payments are cut down, nor will their situation be greatly benefited by an increase in the ACP payments. The testimony given by the Department of Agriculture on this bill, as it appears on page 7 of the hearings, is as follows:

In the first place, the average payment, that is, the average ACP payment, is less than \$100.

If that be true, then surely when farmers are suffering a declining income, running into the billions of dollars, even a few more dollars will not change their position.

In order to be certain of my own position on this matter, in the light of my own experience, I sent for a copy of the exhibit which I had attached to my income-tax statement filed on April 15 of this year, covering the operation of my farm in the year 1954. I find that I spent for salaries and wages, \$19,424; for repairs, \$4,290; for taxes, \$4,116; and on through the various items. My total expenses were \$44,150.71.

My total ACP payment was \$320.

I do not believe a \$320 drop on top of a \$44,000 expense will make the difference between success and failure on that particular farming venture.

But whether the American farmer gets more than 100 percent of parity or less than 100 percent of parity, whether he gets 90 percent or 75 percent in the marketplace, makes a great deal of difference.

The able Senator from Minnesota [Mr. THYE] started by pointing out that the

farmer's share of the consumer's dollar had gone down from 54 cents out of every dollar in 1947 or 1948 to 44 cents, and he said it is on its way down to 42 cents. I agree with him. In every one of those years we had 90-percent price supports. They did not save the American farmer from taking an awful licking. The American farmer does not have prosperity built up by any such system as that.

Not long ago a table was placed in the RECORD showing what the American farmer received in net farm income and its relationship to national income. Strangely, even in 1933 the national income was from 12 to 15 times the farm income.

In 1933 the net farm income was \$2,692,000,000. The national income was \$39,600,000,000.

So it went through the whole scale until the year 1947, when the total net farm income was \$16,774,000,000, while the national income was about \$198 billion.

Farm income throughout all that period had been moving up in parity with national income. It had not moved up the same number of dollars, but it had moved up to the same degree; it had kept pace with it.

The point was reached in 1947 where farm income was some \$16,750,000,000, and the national income was \$198 billion.

What has happened since that date? National income has gone up to \$300 billion. Has farm income kept pace with it? Farm income should have gone up \$6 billion or \$8 billion from the \$16,750,000,000 figure; but instead of going up, it went down to \$12 billion last year.

In every one of those years we had 90-percent price supports. So, I say, farm income cannot be increased merely by support prices, hard as we may try to do so by that device.

We have an agriculture which is enjoying an active, aggressive market. Adding a few dollars by this type of payment is not going to make the farmer well.

It is necessary to move off the shelves of this country the surpluses which now exist, and to get the farmer in a position where he can operate profitably again.

Three-dollar wheat got him well. One dollar and a half wheat does not seem to do so well for him.

I have sold lots of alfalfa at \$4, \$6, \$8, and \$10 a ton. But when in a particular period of shortage people came to my place and fought for it at \$45 a ton, I began to know what prosperity might be.

In an area in the north central States, \$6 a bushel was paid for flax. Farmers do pretty well on that basis.

So I simply believe that while it is true that the farmer's share of the consumer's dollar has dropped, and dropped drastically, we should be spending our time trying to find ways by which his lost portion of the consumer's dollar can be restored. We cannot accomplish that unless there is control of commodities which are bringing about excessive surpluses in this land.

One of the speakers today said that in a year's time it had been found that the provision written into the Agricul-

tural Act a year ago was detrimental to soil conservation. How that could have been ascertained when the provision has not been in operation, I do not know. However, I did find something I thought was very interesting. The American Agricultural Limestone Institute, which is located in Washington, on May 3, 1955, sent to persons interested in the agricultural conservation program a message dealing with the subject of soil-conservation payments. The message was signed by the executive secretary, Mr. Koch, who has long struggled to see that limestone shall be sold to the farmers throughout this country.

He said:

A week ago today the Senate, in the most unusual action since I have been associated with the agricultural conservation program, overwhelmingly approved continuing the ACP for 1956—

That is next year—

at the \$250 million level. The administration originally requested \$175 million from the House and then, after it was passed by the House at \$250 million, it asked the Senate to reduce the amount to \$175 million.

He points out that when the Senator from Delaware [Mr. WILLIAMS] sought to reduce the amount to \$195 million, the Senate, by a yea-and-nay vote of 76 to 5, approved the amount of \$250 million.

I would say that soil conservation generally was getting along pretty well. I voted to keep the amount at \$250 million. I think that is where it belongs.

I do not believe we have destroyed soil conservation by this act, which has not become effective.

In the hearings, on page 10, there is a table showing the reduction in crops which has taken place. The table showed that seeded acres of wheat had been reduced from 78,789,000 acres in 1953 to a 1955 allotment of 55 million acres, a reduction of 23,789,000 acres.

Why should not we try to do something about the condition that brought that about? The condition that brought it about was the accumulation of a surplus of 1 billion bushels of wheat which cannot be moved to the markets of the earth. I do not believe that condition can be cured by \$250 million or \$195 million for soil conservation. The loss of a market for that wheat is a staggering blow to the farmers, and I believe the attention of the Committees on Agriculture and the Department of Agriculture should be primarily directed to the conditions which have brought that about and not to some other issue which I do not think would be of help to the American farmer.

The table to which I referred also shows that seeded acres of cotton were reduced from approximately 25 million acres to approximately 18 million acres in the 1955 allotment. The same table shows that corn acreage was reduced from 57,007,000 in 1953 to 49,842,697 in 1955. There was a reduction of approximately 38 million acres in those 3 crops alone.

I do not believe we will ever get to a prosperous condition for American agriculture until we start finding ways by

which the surpluses hanging over the markets can be moved. I do not think they can be moved unless there is a strong aggressive program to move them.

I have regretted that in the discussion some Senators interested in agriculture have been worrying too much about the language of this particular amendment when a condition such as I have described has been going on, and American farmers have to steadily cut down their cotton and wheat acreage and resort to all sorts of devices in order to get increased production from their land.

A publication on the table before me carries a report on cotton acreage production. It shows that the number of bales produced in 1954 was 13,679,000. That was 2,786,000 bales less than the 1953 crop, but it was greater than the 10-year average.

I thought it might be interesting to

have the figures broken down, so I have before me a table which shows the cotton acreage harvested in 1952, 1953, and 1954, then the lint yield per harvested acre, and then finally the number of bales produced.

It will be seen that in the State of Arizona there was produced 673 pounds an acre in 1952, 743 pounds an acre in 1953, and 1,039 pounds an acre when the acreage reduction became effective in 1954.

It will be seen that the lint yield per acre in the cotton-growing States increased from 279 pounds in 1952 to 324 pounds in the following year.

Mr. President, I ask unanimous consent to have the table printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Cotton acreage harvested, lint yield per acre, and production, 1952-54

	Acreage harvested			Lint yield per harvested acre			Bales produced (500 pounds gross weight)		
	1952	1953	1954	1952	1953	1954	1952	1953	1954
	Thousand acres	Thousand acres	Thousand acres	Pounds	Pounds	Pounds	Thousand bales	Thousand bales	Thousand bales
North Carolina.....	745	775	545	366	278	319	569	449	364
South Carolina.....	1,140	1,175	830	276	281	288	657	690	501
Georgia.....	1,455	1,375	1,025	241	262	286	731	752	612
Tennessee.....	860	950	648	355	354	405	638	702	548
Alabama.....	1,585	1,620	1,170	269	285	298	890	963	728
Mississippi.....	2,416	2,490	1,960	378	410	384	1,906	2,129	1,571
Missouri.....	515	555	450	367	386	478	394	449	450
Arkansas.....	1,940	2,070	1,700	337	358	380	1,366	1,548	1,351
Louisiana.....	890	950	688	408	407	399	756	806	572
Oklahoma.....	1,220	1,020	930	104	205	151	264	437	293
Texas.....	10,700	8,900	7,730	171	233	244	3,808	4,317	3,923
New Mexico.....	295	315	204	536	497	743	330	327	316
Arizona.....	674	690	420	673	743	1,039	948	1,070	911
California.....	1,386	1,340	883	628	632	806	1,818	1,768	1,487
Other States ¹	100	116	68	307	242	367	64	58	52
United States.....	25,921	24,341	19,251	279.9	324.2	341	15,139	16,465	13,679
Other States: ¹									
Virginia.....	26.0	30.0	17.1	424	291	285	23.0	18.0	10.2
Florida.....	60.0	71.0	36.2	249	182	332	31.0	27.0	25.0
Illinois.....	2.2	2.3	3.0	180	357	444	.8	1.7	2.8
Kentucky.....	10.0	10.1	9.6	346	480	588	7.2	10.1	11.8
Nevada.....	1.5	2.3	1.8	569	325	561	1.8	1.6	2.1
American-Egyptian: ²									
Texas.....	36.0	30.0	11.5	431	329	471	32.4	20.6	11.3
New Mexico.....	21.6	20.1	6.7	399	289	457	18.1	12.1	6.4
Arizona.....	48.0	41.5	15.8	436	375	732	43.8	32.5	24.2
California.....	1.2	.5	.2	258	246	505	.7	.3	.2
Total American-Egyptian.....	106.8	92.1	34.2	425	340	589	95.0	65.5	42.1

¹ Sums of acreage and production for "other States" rounded to thousands for inclusion in United States totals. Estimates for these States, except Kansas where cotton production is insignificant, are shown separately.

² Included in State and United States totals.

Source: U. S. Department of Agriculture, Agricultural Marketing Service, Crop Reporting Board.

Mr. ANDERSON. Mr. President, we will find the production per acre is going to continue to increase not only in cotton but in wheat, in corn, and in many other commodities, as long as we try to solve this problem only by constant reduction in acreage allotments.

While I am not worried about the amendment offered by the Senator from Florida—I think it is a good thing to bring this into balance—I have tried to say to the Committee on Agriculture and Forestry that we need to spend time trying to find out why it is that, even with production increases, agricultural income is steadily going down year after year. It is a tragedy that the American farmer, producing, as he is, intelligently for the American market, is faced with

a return which is already nearly \$5 billion below the 1947 figure, while his share of the increased national income should have been at least \$7 billion. He is \$12 billion short. We cannot have that condition existing without farmers looking for additional ways to get increased production, by changing the width between rows of intertilled crops, or by trying to increase production with the use of new types of fertilizer—all of which throws the whole production picture out of balance.

I intend to vote for the Holland amendment which was offered not because I think it is a cure-all, not particularly because I liked the bill passed a year ago in that respect, but because I think we need to be saying constantly

that there should be some way of encouraging acreage limitations. This may not be the way, but some way needs to be adopted. Otherwise we will be out of step.

When we begin to enforce the limitations we begin to come up against surplus acreages. Then we come up against the problem of surpluses and ways to dispose of the commodities produced.

I do not believe this Government has made nearly as vigorous an effort as it should to dispose of the surpluses now on hand. I believe the first duty of the Agriculture Committees of both the Senate and the House should be to discover additional ways of disposing of the surpluses which overhang the market, and which affect the sale of every bushel of agricultural commodities produced on the lands of this country. We cannot have one billion bushels of surplus wheat without affecting production. We cannot have 10 million bales of cotton on hand without influencing the price of cotton, although the price of cotton is not affected so much as are the prices of other commodities, since cotton is readily stored. That is why we have adopted the program we now have with respect to cotton.

I hope the Senate will not lose sight of what I think is the first problem, and that is to find markets for the surpluses by an alert and vigorous program.

RECESS TO TUESDAY

Mr. HUMPHREY. Mr. President, in accordance with the order previously entered, I now move that the Senate stand in recess until Tuesday next at 12 o'clock noon.

The motion was agreed to; and (at 6 o'clock and 9 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Tuesday, May 17, 1955, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 13 (legislative day of May 2), 1955:

OFFICE OF ECONOMIC AFFAIRS

Howard F. Vultee, of New Jersey, to be Director, Office of Economic Affairs, United States mission to the North Atlantic Treaty Organization and European regional organizations.

UNITED STATES CIRCUIT JUDGES

J. Edward Lumbard, of New York, to be United States circuit judge, second circuit, vice John Marshall Harlan, elevated to the United States Supreme Court.

Sterry R. Waterman, of Vermont, to be United States circuit judge, second circuit, vice Harrie B. Chase, retired.

UNITED STATES DISTRICT JUDGE

Kenneth P. Grubb, of Wisconsin, to be United States district judge for the eastern district of Wisconsin, to fill a new position.

CHIEF OF STAFF, UNITED STATES ARMY

Gen. Maxwell Davenport Taylor, United States Army, for appointment as Chief of Staff, United States Army.

IN THE NAVY

The following-named officers of the Navy and Naval Reserve on active duty for temporary promotion to the grade of lieutenant in the line and staff corps as indicated, sub-

ject to qualification therefor as provided by law:

For temporary promotion in the Navy:

LINE

Abdon, Albert L.
Ackerman, Eugene B.
Ackerman, Warren J.
Ackley, Richard T.
Acton, James B.
Aillaud, Emmett R., Jr.
Albright, Donald S., Jr.
Allen, James A.
Allen, Jesse L.
Allen, Raymond C.
Allen, Thomas R.
Allison, Paul
Anderson, Lee C.
Anderson, Lyle C.
Anderson, Robert G.
Andresen, Ronald N.
Angleman, Cornell C.
Anthony, John D., Jr.
Arbuckle, Wallace D., Jr.
Archer, Martin D.
Arnold, Henry D.
Arnold, Julian M.
Arnold, William S. M.
Ashworth, Albert R., Jr.
Aslund, Roland E.
Augustine, William F.
Austin, Fuller A.
Averett, Thomas R., Jr.
Axe, John R.
Axell, Charles L.
Ayres, William H., Jr.
Babcock, Robert E.
Bacheller, Frank E.
Backstrom, Robert I.
Baggett, Lee, Jr.
Baggett, Talmadge S.
Bagley, Ralph F., Jr.
Bailey, Gilliam M.
Bailey, Henry G.
Bailey, William C.
Baker, Richard L.
Balko, William J.
Barck, Dale E.
Bardecki, Frank J.
Bardes, Charles R.
Barker, Franklin H.
Barker, Raymond H.
Barker, Warren W.
Barnard, Robert W.
Barnette, Curtis L.
Barnhart, Robert W.
Barrineau, Edwin
Barron, Joseph M.
Barrow, Joseph J.
Basso, Robert J.
Bates, George M.
Baty, Edward M.
Beavers, Robert A.
Beck, Frederic E., Jr.
Becker, Donald A.
Beckman, Kenneth L.
Bellar, Fred J., Jr.
Belter, Robert H.
Bender, Albert F., Jr.
Benn, Joseph W., Jr.
Bennett, Robert W.
Bennie, Ralph F.
Bereiter, Edward A.
Bergeron, Roy L.
Bergman, Daniel
Bergstrom, James H.
Bigenho, Roy M.
Bigley, Thomas J.
Biles, Joel T.
Billings, John H.
Billings, Randall K.
Bircher, William B.
Blaha, Albert J.
Blanck, William C., Jr.
Block, Peter F.
Boggs, Gilbert A.
Bond, John R.
Bonekamp, Fred H.

Bossert, Richard M.
Boston, Leo
Bottom, George A., 3d
Bowersox, Franklin L.
Boyd, David S.
Bradberry, Richard F.
Bradford, John W., Jr.
Bradford, William J. D., 3d
Brady, Gene P.
Bramley, Leslie G.
Brandorff, Paul A.
Branson, John J., Jr.
Brett, Morton
Brick, John H.
Bristol, Edward R., Jr.
Brooks, William T., Jr.
Brown, Charles "D"
Brown, Ernest B.
Brown, James W.
Brown, Robert S.
Brown, William E.
Bruce, Forrest T.
Brumbach, Lawrence E.
Bryan, Thomas S.
Buck, Robert A.
Buck, Roger L.
Burden, James D.
Burks, Ernest, Jr.
Burnett, Carl J., Jr.
Burnett, James C.
Burson, Roger T.
Burt, Alexander R., Jr.
Burton, James L.
Bustard, Francis W.
Buteau, Bernard L.
Butzen, Thomas P.
Byron, Herbert I.
Byron, John B.
Cady, John P., Jr.
Caglione, Joseph, Jr.
Caldwell, Ronald H.
Calhoun, William P.
Cameron, Allan K., Jr.
Campbell, Donald H.
Campbell, James S.
Campbell, Norman R.
Canaan, Gerald C.
Carberry, James P., Jr.
Cariker, Jess L., Jr.
Carlton, George A.
Carmichael, Robert C.
Carr, William K.
Carter, Frank R.
Casey, Edward J., Jr.
Cassilly, Frank R.
Chaitin, Neil D.
Chambers, John J.
Chanaud, Henry L.
Chapman, Donald E.
Chapman, George T., Jr.
Chappell, Lawrence A.
Charnas, Steve C.
Chipman, Eugene N.
Choyce, Charles V.
Church, Clifford E., Jr.
Clark, Fred P., Jr.
Clarke, Michael
Clarke, Walter L., Jr.
Clemens, Porter E.
Clithero, John D.
Cobb, George B., Jr.
Cochran, James A.
Cogdell, John B.
Cole, Charles W.
Coleman, Eddie T., Jr.
Coleman, Frank S.
Coleman, Gerald G.
Colleary, John E., Jr.
Collins, Robert S.
Colvin, Robert D.
Comerford, James N.
Concannon, Leslie E.

Condit, Maurice J.
Congdon, Walter R.
Conlon, Charles M., Jr.
Conroy, Thomas P.
Cook, Richard M.
Cooper, David L.
Cooper, Jack E.
Corbin, Rex G.
Cossaboom, William
M., II
Costello, Daniel J.
Costello, Peter M., Jr.
Coughlin, John T.
Covington, Gerald E.
Cowhill, William J.
Cramblet, Frank
Cross, Daniel F.
Crow, Dayl E.
Crow, Edwin M.
Crowl, Otho W.
Cruse, Donald A.
Crytser, William B.
Culp, John B., Jr.
Cunningham, Russell P., Jr.
Cusack, Warren J.
Czernicki, Leonard
Dagg, Robert M.
Dame, Harold E.
Darius, George H.
Darnell, Donald P.
Davi, Jerome A.
Davidson, Harrison W., Jr.
Davidson, Richard S.
Davis, Allen B.
Davis, Frederick P.
Davis, Jack W.
Davis, Robert L.
Day, Lawrence C.
Deibler, Daniel T.
Dellinger, Donald B.
DeLoach, Walter M.
DeLozier, Richard G.
DeMers, William H., 2d
Denmark, George T.
Dennis, James M.
Dickins, Richard A.
Dickson, James D.
Diehl, William F.
Dillahunty, Benjamin P.
Dille, Earl K.
Doak, Samuel L.
Doan, Richard C.
Dollinger, Richard E.
Dorsa, Theodore, Jr.
Downs, Leslie R.
Doyle, Richard B.
Draddy, John M.
Dreesen, Robert F.
Driscoll, Jerome M.
Duggan, Frederick F., Jr.
Duggan, Richard W., II
Dukes, Warren C.
Dunaway, Gene T.
Dunn, Charles O., Jr.
Dunn, Delma D.
Dunning, Frederick S., Jr.
Dupnik, Joseph J.
Eagye, Thomas R., 2d
East, George W.
Ebelacker, Richard M.
Eckerd, George E.
Eckert, Earl J., Jr.
Edwards, Frederick A., Jr.
Ellena, Eugene D.
Elliott, James D.
Emerson, David F.
Emlet, Harold B.
Engel, Paul H.
Engle, Raymond E.
English, Ernest C., Jr.
Enright, George E.
Epeneter, Gus W., Jr.

Estes, Leland F.
Estes, Windom L.
Everett, Elmer C.
Ewertz, Roy W., Jr.
Fahland, Frank R.
Falkenstein, Rudolph F.
Farnsworth, William B., Jr.
Farrell, John B.
Fassula, Richard F.
Faulkenberry, Virgil T.
Feagin, Frederick K.
Fears, Donald G.
Featherston, Frank H.
Fendorf, James E.
Fenno, Eric N.
Ferguson, George D., III
Ferrier, Harry H.
Ferrucci, David E.
Finley, Alden G.
Finley, Hugh D.
Fish, Theodore T.
Fitzpatrick, John R.
Fleming, Francis L., Jr.
Fleming, Joseph P.
Fleming, Michael J. J.
Fleming, William O.
Fletcher, James L.
Flynn, Richard E.
Foley, Sylvester R., Jr.
Forbes, Donald K.
Forster, William G.
Forsyth, James A.
Forsythe, Forrest
Foscatto, Sydney E., Jr.
Foster, James R.
Foster, Paul L.
Foucht, Richard A.
Fowler, Arthur D., Jr.
Fox, Albert D.
Fox, George A., Jr.
Fox, Richard T.
Fraasa, Donald G.
Frazier, Montgomery L.
French, Norman M., Jr.
French, Robert D.
Frichs, John S.
Friesen, Edwin "J"
Fritsch, Thomas D.
Frosio, Robert C.
Frudden, Mark P.
Fry, Gayle A.
Galloway, Charles R., Jr.
Gamble, Francis T.
Garland, John C.
Garside, Joseph J.
Geist, Richard A.
Geitz, Kenneth L.
Geraud, Joseph R.
Gibson, Charles L.
Gillespie, Edward A.
Gilpin, Burton H.
Gilyard, John G.
Gire, Harold W.
Gobble, George F.
Gochenour, David T.
Goldbeck, Lewis H., Jr.
Goldman, Howard A.
Goode, Martin
Gooding, Niles R., Jr.
Goodspeed, Richard E.
Goodwin, Edmund E.
Goodwin, George E.
Gott, Herschel L.
Gray, Rockwell M., Jr.
Greeley, William E.
Greene, Leonard B.
Greenwood, Charles L.
Greer, Wiley W.
Gregory, George T.
Grier, Joseph L.
Griffin, Ellegood V., Jr.
Griffith, Thomas J.
Grigg, William H.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued
For actions of

May 18, 1955
May 17, 1955
84th-1st, No.81

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HIGHLIGHTS: Both Houses agreed to conference report on agricultural appropriation bill. Ready for President. Senate passed bill to repeal ACP tie-in with acreage allotments. Ready for President. Senate debated bill to repeal REA State formula. Senate committee reported bill to increase per diem allowances. Senate committee ordered reported bills for Mexican fence and for salt-water research. Sen. Humphrey introduced and discussed bill to provide 90% price supports for family-size farms. House passed bill to authorize land banks to purchase FFMC assets. Ready for President. House committee reported measure for USDA study of tobacco controls. House debated reserve manpower bill. House subcommittee voted for bill to increase per diem allowances.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1956. Both Houses agreed to the conference report on this bill, H. R. 5239. The House concurred in the Senate amendment which had been reported in disagreement, to provide for part of the CCC administrative-expense limitation to be placed in reserve. (pp. 5489, 5458-74). This bill will now be sent to the President.
2. FARM LOANS. Passed without amendment S. 941, to authorize the Federal land banks to purchase certain remaining assets of the Federal Farm Mortgage Corporation (pp. 5501, 5519). This bill will now be sent to the President.
3. RESERVE FORCES. Began debate on H. R. 5297, to provide for strengthening of the Reserve Forces (pp. 5519-45).
4. TOBACCO. The Agriculture Committee reported without amendment S. J. Res. 60, directing this Department to study and report to Congress on methods of burley tobacco marketing controls (H. Rept. 596)(p. 5549).
5. ANIMAL DISEASE. Passed without amendment S. 1133, authorizing payment for losses incurred in Iowa in July 1954 on account of vesicular exanthema, which could not

be paid because of a technicality (p. 5505). A companion bill, H. R. 4576, was reported without amendment earlier in the day (H. Rept. 598). S. 1133 will now be sent to the President.

6. FARM LOANS. The Rules Committee reported a resolution for consideration of H. R. 5715, to extend the authority for the Veterans' Administration to make direct loans and to require VA to make additional types of loans (p. 5505).
7. TRAVEL EXPENSE. The "Daily Digest" states: "The Subcommittee on Executive and Legislative Reorganization approved for reporting to the full committee a clean bill (H. R. 6295), to provide for an increase in maximum per diem allowance — from \$9 to \$13 — for subsistence and travel expenses. The bill will be considered by the full committee...tomorrow." (p. D428.)
8. LAND TRANSFER. The Agriculture Committee reported with amendment H. R. 2973, to release reversionary rights to a former FHA tract in Macon County, Ga., to the Ga. Board of Education (H. Rept. 597)(p. 5549).
9. EDUCATION. Passed as reported H. R. 603, to authorize additional land grants to the University of Alaska (p. 5497).
10. ORGANIZATION. Received from the President an amendment to the 1956 Budget for the President's Advisory Committee on Government Organization (H. Doc. 164); to Appropriations Committee (p. 5548).

SENATE

11. SOIL CONSERVATION; ACREAGE ALLOTMENTS. Passed without amendment H. R. 1573, to repeal the provisions prohibiting ACP payments to persons who do not adhere to acreage allotments on basic crops (pp. 5458-74). Rejected, 35 to 49, an amendment in the nature of a substitute, by Sen. Holland (for himself and Sens. Aiken, Anderson, and Watkins), which would have modified Sec. 348 but would not have repealed it (p. 5474). This bill will now be sent to the President.

Sen. Carlson inserted a city of Kansas City, Kans., resolution favoring the continuance of surveys and planning for the conservation of soil and water in Kans. (pp. 5420-1).

Sen. Watkins commended the interest of young people in conservation development and inserted an article written by the Secretary at the request of the young people of Milford Elementary School, "Youth's Part in Conservation" (pp. 5446-7).

12. RURAL ELECTRIFICATION. Began debate on S. 153, to amend the Rural Electrification Act so as to eliminate the requirement that not more than 10% of the loans may be made in any one State. Pending is a Humphrey amendment (in the nature of a substitute) to modify the present formula but not repeal it (pp. 5479-84).

Sen. Kefauver urged immediate release of the Hoover Commission Task Force report on public power and water resources and inserted a St. Louis Post Dispatch on this subject (pp. 5445-6).

13. LANDS. Both Houses received from the Interior Department a proposed bill "to facilitate the administration of the public lands"; to Interior and Insular Affairs Committees (pp. 5417, 5548).

14. SUGAR QUOTAS. Received an Hawaiian Legislature resolution urging immediate domestic sugar quota increases (p. 5418).

Georgia [Mr. RUSSELL] is in the Chamber. I ask unanimous consent that at the conclusion of the statement by the Senator from Oregon [Mr. MORSE] the Senate proceed to the consideration of the conference report. Therefore, I ask unanimous consent that the conference report may be in order immediately following the Senator's statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. RUSSELL. Has unanimous consent been granted that the conference report on the agricultural appropriation bill may be taken up at this time?

The ACTING PRESIDENT pro tempore. Unanimous consent has been granted for that purpose.

Mr. RUSSELL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5239) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1956, and for other purposes.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of today.)

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. KNOWLAND. Do I understand correctly that all the conferees were present when the conference report was agreed to?

Mr. RUSSELL. It was signed by all conferees on the part of the Senate who attended the conference. The minority was represented by the distinguished junior Senator from North Dakota [Mr. Young], the ranking member of the subcommittee on agricultural appropriations. Also present was the distinguished Senator from Louisiana [Mr. ELLENDER], the chairman of the Committee on Agriculture and Forestry.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the conference report? Without objection, the report is agreed to.

Mr. HOLLAND. Mr. President, has the report been agreed to?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. HOLLAND. I thought the distinguished Presiding Officer was inquiring whether there was any objection to the consideration of the conference report.

The ACTING PRESIDENT pro tempore. The Senator is correct. The Presiding Officer heard no objection.

Mr. HOLLAND. Therefore the Presiding Officer assumed that the report should be considered and adopted at the same time?

Mr. HUMPHREY. May I inquire what the status of the conference report is?

The ACTING PRESIDENT pro tempore. The Chair will withhold announcement of agreement to the conference report in order that the Senator from Florida may proceed.

Mr. HOLLAND. I have a question or two which I should like to address to the distinguished chairman of the Agriculture Subcommittee of the Senate Appropriations Committee, who was chairman of the conference committee which considered the bill.

I note, first, a reference in the report indicating that the action of the Senate in stepping up by \$308,700 the amount for plant quarantine inspection at ports was agreed to in conference, and that that additional amount will become available if the report shall be adopted. Am I correct in my understanding?

Mr. RUSSELL. The Senator is correct. The conferees agreed to the Senate amendment in respect to that item. It provides for \$308,700, which I think is the largest amount which has ever been made available for that purpose.

Mr. HOLLAND. That is, for plant quarantine at ports of entry, particularly where the hazard is the greatest?

Mr. RUSSELL. Of course, I assume that the Department of Agriculture will use the greater part of this sum at ports where the hazard is the greatest. That was brought out in the hearings, and I think that was the general understanding of the conferees.

Mr. HOLLAND. I thank the distinguished Senator.

I should like to ask another question. The Senator will recall that the Senate committee took action by which the fund for emergency outbreaks of insects causing plant diseases was increased from \$400,000 to \$1,100,000. As I understand the report, which I have had in my possession for only a few minutes, it seems to indicate that an increase from \$400,000 to \$1 million was approved, but the complete increase to \$1,100,000 was not approved in conference.

Mr. RUSSELL. The Senator is correct. However, I should not like to have the RECORD closed with that statement, because it was generally understood that if it were necessary to have additional funds, they would be provided by way of supplemental appropriations.

Mr. HOLLAND. In other words, there was no feeling evidenced at all in the conference committee of an unwillingness to meet any outbreak of that sort?

Mr. RUSSELL. Not at all. There was some difference of opinion as to the sum that might be needed, but it was a matter of sheer conjecture on the part of the conferees on both sides, because we did not have the scientific information which would enable us to ascertain to a nicety the amount of money needed to deal with any emergency outbreak.

Mr. HOLLAND. I thank the Senator.

My next question relates to the general amount available for research in the field of controlling, and, we hope, eradicating, screw worm, the pest which is so adversely affecting livestock, particularly in the southern portion of the United States. Is there in the report any departure from the approval of that objective?

Mr. RUSSELL. No; I think the report very clearly indicates that it is the intention of the Department to deal with

every one of the items set forth in the report.

Mr. HOLLAND. Including research in the matter of spreading decline in the citrus industry?

Mr. RUSSELL. That is correct. There is no question that the Department is obligated to do work in both of those fields.

Mr. HOLLAND. For the present, that work is to be in research and surveys, with the direction contained in the report of the Senate committee still standing that a speedy report be made if a method of control or elimination is discovered.

Mr. RUSSELL. There is nothing in the conference report or in any agreement between the conferees of the House or the Senate that would in anywise indicate that a report will not be expedited as rapidly as may be possible.

Mr. HOLLAND. Mr. President, I warmly congratulate the distinguished Senator and his fellow conferees upon retaining in the conference measure the important items which I have mentioned, as well as others.

Mr. RUSSELL. I thank the Senator from Florida.

Mr. HUMPHREY. Mr. President, I should like to ask the Senator from Georgia if there is any change at all in the sum of money made available for the conservation program.

Mr. RUSSELL. The amount provided for the next calendar year is \$250 million. As the Senator knows, the program operates on the calendar-year basis rather than on the fiscal-year basis.

Mr. HUMPHREY. I notice that the conferees agreed to the House language providing for a special study of the price spread between the farmer and the consumer, and for that purpose appropriated the sum of \$250,000.

Mr. RUSSELL. The Senator is correct. The conferees, after some intensive discussion, concluded that that would be a sufficient amount to get the study underway.

Mr. HUMPHREY. The study will be conducted by the Department of Agriculture under its marketing service program, will it not?

Mr. RUSSELL. That is correct. They have a trained staff available to conduct that study.

Mr. HUMPHREY. Does the study also require some companion action by an appropriate committee of the Congress to doublecheck the survey and analysis which may be made?

Mr. RUSSELL. I know of nothing that is more important at this time to combat the unreasonable attitude of some persons toward the farmers than is a study of the price spread between the farmer and the consumer. I believe that if consumers were aware of the fact that the farmer's share of the dollar spent by consumers for food and clothing is constantly decreasing every year, they would have an entirely different attitude toward farm legislation which would place farmers on a parity with their fellow Americans.

Mr. HUMPHREY. I thank the Senator, and I commend him for the wonderful contribution he has made toward

bringing to the Senate and piloting the agricultural appropriation bill through the conference committee with the help, of course, of other Senators.

Mr. RUSSELL. I am glad to have those kind words from such a stout fighter for the farmers of the Nation.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 5239, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,

May 17, 1955.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 24 to the bill entitled "An act making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1956, and for other purposes," and concur therein.

ELIGIBILITY FOR CONSERVATION PAYMENTS

The Senate resumed the consideration of the bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER (Mr. BIBLE in the chair). Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, I have an announcement to make to the Senate, and I should like to have the attention of the distinguished minority leader.

When action has been concluded on H. R. 1573, which is the unfinished business, I hope it will be possible for the Senate to proceed to the consideration of Calendar No. 217, Senate bill 153, to amend the REA loan formula. An effort is being made to reach an agreement among the members of the committee and other Senators interested in the measure.

I also wish to place the Senate on notice that it is planned to consider Calendar No. 234, Senate Joint Resolution 8, to amend the Constitution to authorize governors to fill temporary vacancies in the Congress caused by a disaster. I have previously cleared this measure with the able minority leader.

The Subcommittee on Reorganization, of the Committee on Government Operations, has ordered reported H. R. 3322, a bill to improve the administration of the program for utilization of surplus property for educational and health purposes. That bill could not be considered today, but it is possible that it

may be called up on Thursday. I wish Senators to be informed of this possibility, and I should like the able minority leader to check H. R. 3322, since I have not previously cleared it with him.

I understand that the committee of conference will meet tomorrow to consider the reciprocal trade bill, so it may be that the conference report will be available for consideration by the Senate on Thursday. I desire to place the Senate on notice as to that possibility.

Also in conference are the Department of the Interior and the Treasury-Post Office appropriation bills. As soon as the conference reports on those bills are ready, I hope that the Senate may proceed promptly to consider them.

It is my plan to have the Senate take up on Friday Calendar No. 354, Senate bill 1048, the road bill. The report on that bill is due to be filed on Thursday. By agreement, no votes will be taken on the bill on Friday, but Senators may engage in as much discussion as may be desired on that day. The Senate will again be in session on next Monday, and during the early part of the week a determination can be made as to when the Senate may wish to vote on that measure.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to my distinguished colleague from California.

Mr. KNOWLAND. So far as the program which the distinguished majority leader has outlined up to this time is concerned, it is entirely satisfactory, with the exception of the new bill he has mentioned. I will immediately check as to H. R. 3322. However, as to the other sequence of bills, I am certain that we will cooperate in every way possible.

I also want to call the attention of the distinguished majority leader to my uncertainty as to proceeding with S. 1048, the highway bill. That bill has been called to my attention by a number of Senators on this side of the aisle. I understand, as the majority leader has stated, that the report and minority views are due to be filed Thursday noon and presumably will go to the Public Printer at that time. The printed copies should be available and on the desks of Senators by noon on Friday.

But because the minority views constitute the supporting document for an amendment in the nature of a substitute for the proposed \$27 billion road bill, as to the need for which there is an honest difference of opinion, some Members, especially those who are not on the Committee on Public Works, have suggested that it might be more satisfactory for them to have the weekend in which to study the minority views and the accompanying amendment in the nature of a substitute, so as to enable them to participate more fully in the debate on Monday.

I merely mention this to the distinguished majority leader because I have had a number of requests from Senators on this side of the aisle to permit that to be done, if it would fit in with the plans.

Mr. JOHNSON of Texas. My inclination always is to conform with any sug-

gestion made by the distinguished minority leader, if it is possible to do so. I would be the last to urge that any action whatsoever be taken on the road bill on Friday, other than to afford Senators who are prepared to discuss the bill an opportunity to do so.

The bill was reported last Friday. It is somewhat unusual, whether it be an appropriation bill or a \$27 billion road bill, for a committee to have a full week to file a report on action which it has taken. But, Mr. President, the committee did have a week. The bill was reported to the Senate last Friday, and no action will be taken until Friday of this week, and then there will be only general discussion, and any 1 of the 96 Senators can take home the majority report and the minority views, and any individual reports which may be available, study them, read them, and digest them until Monday. I expect that the Senate will be considering the road bill into Tuesday, and perhaps Wednesday.

I desire to make it abundantly clear that I have assured the minority leader that there would be no votes on Friday, but I have also assured other Senators that we would proceed to the consideration of the bill, if the Senate sustains me, on Friday, for the purpose of having general discussion.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, at the insistence of minority Members who requested that they be given until Thursday to file their views, the matter was delayed. As a matter of fact, I asked unanimous consent, because unanimous consent had to be obtained, that the minority be permitted until Thursday to file their views. The only reason for the delay is that they wanted time.

Mr. KNOWLAND. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. KNOWLAND. As I am sure the majority leader knows, it is the desire at all times of the minority leader, in the normal processes of the Senate, to cooperate fully, but the report of the committee itself, as shown on page 6 of the calendar, was apparently filed on May 13. This is only the 17th—

Mr. CHAVEZ. Mr. President—

Mr. JOHNSON of Texas. I call attention to the fact we are not debating the bill today. The report was filed last Friday. We are not even going to start debating the bill until next Friday, and then there will be nothing but general discussion. The bill will be discussed again on Monday. If the distinguished Senator from California desires, I am willing to agree that there be no votes on Monday. I am certain there is no possibility of getting a vote on Friday, and probably not on Monday.

I did not object to the unanimous consent request of the minority that they have one full week to explain what they had voted on a week before. I thought it was unusual. I said so to the chairman of the subcommittee and the chairman of the full committee. I desire to go along with my delightful friend, the minority leader, and the other Mem-

bers of the minority, but I do not want to have further delay in the case of an important bill or program, for which the President has a plan; for which he submitted a recommendation; on which in the committee there have been weeks and weeks of hearings, and then weeks of voting; and in connection with which there has been a week to write about what the committee did, and then another week to explain what the minority did. Senators can read the views on Friday, Saturday, Sunday, and Monday, and vote on Tuesday. The Senate is going to be crowded at the end of the session if we keep dragging our feet, and that is exactly what I think was done in the matter of filing the minority views.

Mr. KNOWLAND. I would not discuss too much dragging of feet—

Mr. JOHNSON of Texas. The Senator from California can say what he wishes to, but the Senator from Texas will say it is unusual for a committee to take a week to have minority views filed.

Mr. KNOWLAND. Does the Senator remember the tax bill, when we had a discussion as to how much time should be allowed for filing minority views, after the bill had been reported by the Finance Committee, without a single change from the bill as passed by the House? There was a request for unlimited time within which to file minority views. After discussion we finally arranged for a certain period. I do not wish to trust to my recollection, but as soon as I can get the information—

Mr. JOHNSON of Texas. If the Senator will take the same position with regard to the filing of minority views on the road bill as on the filing of views on the tax bill, we shall have no difficulty. As I remember, the Senator from California did not wish to agree to giving unlimited time. He wanted prompt action. He was willing to let it go over the weekend, until Tuesday or Wednesday. Finally we arrived at a date which was agreeable.

I can understand no earthly reason why any Senator should object to having a general discussion of the road bill on Friday, when the minority views are to be filed on Thursday.

Mr. KNOWLAND. All I can say to the Senator from Texas, both in his capacity as a distinguished Senator and as the majority leader is, that, in my capacity as minority leader, I also have some obligation to Members on our side of the aisle. What we agree to do is not a matter of personal convenience to the two of us. We can generally get to an understanding on these matters, and I intend to continue to try to do so. But some Senators on our side of the aisle who are not members of the committee are interested in the bill, and the governors of their States are interested in the bill. There has been discussion as to whether the highway program should be financed in one way or another way. There is a desire that progress be made. Since the minority views will not be available until Thursday, and the amendment is going to be in the nature of a substitute, it was thought it would be reasonable that the debate not start until Monday. I am merely trying to

carry out a specific request, and at least explore the situation with the distinguished Senator, who is always so generous and affable in trying to adjust such matters to the satisfaction of 96 Senators, each of whom has a different view regarding the procedure which should be followed and as to when a measure should be taken up.

Mr. JOHNSON of Texas. Mr. President, I understand the Senator's position. I appreciate that some Senators on his side of the aisle make certain requests of him. There are occasions when Senators on my side of the aisle make certain requests of me. I think most of the time they are reasonable requests. Sometimes they fall in the category which the Senator has indicated. I would be the first one in the Senate to see to it that the Senator from California and the minority had full and ample time. The minority asked for a week to file their views, and got every day they requested. They got it by unanimous consent. The views are to be filed on Thursday. I think if the request had been made that the views be filed on Friday, the Senate would have gone that far. But, as the Senator from Texas has said to members of the committee, the highway measure is a major bill. There are Senators—certainly there are on the majority side—who will consume several hours discussing the action taken by the committee. I think Friday can be profitably used in that debate.

If the minority does not choose to speak on Friday, at the conclusion of the general discussion by Members on this side of the aisle the Senator from Texas will move that the Senate recess to Monday. He has already assured the Senator from California that there would be no votes on Friday. Such an arrangement would give every Senator an opportunity to confer with his colleagues, to confer with himself, if he needed to, and to confer and clear the matter with the governor of his State. The bill will merely be discussed, and it is not going to be passed on Friday, or on Monday, either. However, if we do not get started on it, there may be no bill passed at all.

I think the proposal before the Senate is a reasonable one. In view of the assurances I have given the distinguished minority leader, I hope he will do what I am sure I would do if I were in his position, which would be to say to the majority leader, "It is not proposed to have any votes on the bill. Senators can read the reports over the weekend. We do not think there will be any votes on Monday. On Tuesday perhaps we can decide when we can vote."

Mr. KNOWLAND. I wanted to clear the RECORD about the statement that the request with respect to the time within which to file minority views was unprecedented.

Mr. JOHNSON of Texas. I never said it was unprecedented.

Mr. KNOWLAND. I think the Senator from New Mexico indicated either that it was unprecedented or at least that it was unusual.

Mr. JOHNSON of Texas. I said it was unusual, and I think the record will so show.

Mr. KNOWLAND. But this year, as shown by the CONGRESSIONAL RECORD of March 2, after considerable colloquy, during which the minority leader was prepared to agree to the allowance of a week's time for the filing of minority views on the tax bill, there was considerable discussion to the effect that 1 week would not be sufficient time in which to prepare and present the minority views; and finally we agreed upon 10 days for the filing of the minority views. So I am not particularly raising the point as an issue.

Mr. JOHNSON of Texas. I appreciate the generosity of the Senator from California in that connection, and I appeal for the same generosity now.

Of course at this time there is a somewhat different situation. On the other occasion I was in Minnesota, in a hospital bed, and I had not had a chance either to see and study the report which was prepared or to prepare separate views.

Although later it was determined that the report did not appeal to a majority of the Senate, the Senator from California agreed to provide that opportunity at that time; and in this case I shall appreciate having him read and digest the majority report, which I also hope he will support.

ELIGIBILITY FOR CONSERVATION PAYMENTS

The Senate resumed the consideration of the bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938.

The PRESIDING OFFICER. The unanimous-consent agreement which applies to the further consideration of the unfinished business will be read at this time.

The legislative clerk read as follows:

Ordered, that, effective on Tuesday, May 17, 1955, after the conclusion of routine morning business, during the further consideration of H. R. 1573, a bill to repeal section 348 of the Agricultural Adjustment Act of 1938, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 2 hours, to be equally divided and controlled by the proposer of any such motion or amendment and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the bill shall be received.

Ordered further, That on the question of the final passage of the bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. HOLLAND. Mr. President, on behalf of myself, the Senator from Vermont [Mr. Aiken], the Senator from New Mexico [Mr. Anderson], and the Senator from Utah [Mr. Watkins], I call up the amendment which lies at the desk, and ask to have it stated.

Mr. HUMPHREY. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. HUMPHREY. I should like to have the yeas and nays ordered on the question of agreeing to the amendment.

Mr. HOLLAND. Mr. President, I expect to join in making such a request at the appropriate time. However, there are some Senators who have said they wish to change somewhat the wording of the amendment. So I prefer to leave to myself the right to change the wording, if such a request is made, and if it seems wise to change it. I assure the distinguished Senator from Minnesota that at the conclusion of the debate I shall join with him in requesting the yeas and nays on the question of agreeing to the amendment. I wish to have a ye-and-nay vote taken on the question of agreeing to the amendment, and I hope that all Members of the Senate will have a chance to express their position in that way.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The amendment submitted by Mr. HOLLAND, on behalf of himself, Mr. AIKEN, Mr. ANDERSON, and Mr. WATKINS, was read, as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That section 348 of the Agricultural Adjustment Act of 1938, as amended, is amended, effective with respect to 1955 and subsequent crops, to read as follows:

"Sec. 348. (a) Any person who knowingly harvests an acreage of any basic agricultural commodity on his farm which has been determined by the Secretary to be in excess of the farm acreage allotment for such commodity for the farm for such year under this title shall not be eligible for any payment for such year under the Soil Conservation and Domestic Allotment Act, as amended. For the purposes of this section, no person shall be deemed to have harvested any acreage of any basic agricultural commodity in excess of his farm acreage allotment by reason of harvesting corn for ensilage, harvesting wheat in an amount not in excess of 15 acres, harvesting a commodity or a crop with respect to which producers have rejected marketing quotas in a marketing-quota referendum, or harvesting peanuts for seed to be used for the raising of peanuts to be hogged off.

"(b) Persons applying for any payment of money under the Soil Conservation and Domestic Allotment Act, as amended, shall be required to establish their eligibility for such payment under this section in such manner as the Secretary may prescribe by regulation."

Amend the title so as to read: "An act to amend section 348 of the Agricultural Adjustment Act of 1938."

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Florida on behalf of himself and other Senators.

Mr. HOLLAND. Mr. President, I understand that 1 hour is now available to each side, for debate on the amendment, with the hour for the proponents to be controlled by myself, and the hour for the opponents to be controlled by the majority leader. Is that correct?

The ACTING PRESIDENT pro tempore. Yes; if the majority leader is opposed to the amendment; otherwise, the time in opposition to the enactment will be under the control of the minority leader.

Mr. HOLLAND. I thank the Chair.

Mr. President, I yield myself 2 minutes in order to read a communication by the chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER], and by various other Senators. The communication, which came this morning, May 17, 1955, from the Secretary of Agriculture, Mr. Ezra Taft Benson, reads as follows:

DEPARTMENT OF AGRICULTURE,
Washington, May 17, 1955.

HON. GEORGE D. AIKEN,
HON. CLINTON P. ANDERSON,
HON. SPESSARD L. HOLLAND.

DEAR SENATORS: Our views have been requested on the proposed amendment to H. R. 1573 which was discussed in the Senate on Friday, May 13. This proposed amendment would retain section 348 of the Agricultural Adjustment Act of 1938 as it now stands but would add language to exempt corn for ensilage, wheat acreages not in excess of 15 acres, crops with respect to which producers have rejected marketing quotas, and peanuts for seed to be used for the raising of peanuts to be hogged off.

The proposed amendment generally will tend to make eligible the smaller farms and thereby overcome many of the objections which the Department has to the provisions of section 348, as amended, by the Agricultural Act of 1954. However, these exemptions will involve some problems of administration, especially with respect to ensilage corn and seed peanuts.

Sincerely yours,

E. T. BENSON,
Secretary.

Mr. President, I yield such time as he may require to the distinguished senior Senator from Utah [Mr. WATKINS].

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. WATKINS. Mr. President, I believe it is in the best interests not only of the American farmers, but also the general public, that H. R. 1573 in its present form not pass the Senate. Rather, I am of the opinion that the basic problem which this bill is designed to correct can better be handled by adoption of the amendments in the nature of a substitute which has been jointly sponsored by Senators HOLLAND, AIKEN, ANDERSON, and myself.

H. R. 1573 would repeal section 348 of the Agricultural Adjustment Act of 1938, as amended in 1954. Section 348 provides that—

Any person who knowingly harvests any basic agricultural commodity on his farm which has been determined by the Secretary to be in excess of the farm acreage allotment for such commodity for the farm for each year * * * shall not be eligible for any payment for such year under the Soil Conservation and Domestic Allotment Act, as amended (Agricultural Conservation program).

The problem here, which H. R. 1573 hopes to solve, is basically this: Under marketing quota requirements, a farmer with a wheat acreage allotment of less than 15 acres can grow and harvest 15 acres of wheat without penalty. This exemption, however, does not apply to the eligibility requirement for payments under the Agricultural Conservation program as provided in section 348 of the Agricultural Adjustment Act of 1938. I do believe that it is rather inconsistent for the law to permit a farmer to market

up to 15 acres of wheat without penalty when quotas are in effect and qualify for price support at the same time, but on the other hand to deny him assistance under the Agricultural Conservation program unless he plants within his acreage allotment. Why? Because marketing quotas are a much more severe form of control than acreage allotments, yet when quotas are in effect a farmer can qualify for Government benefits even if he markets more than his acreage allotment, so long as it is less than 15 acres, while if only acreage allotments are in effect he cannot qualify for assistance under the Agricultural Conservation program if his acreage allotment is less than 15 acres and he should plant up to 15 acres.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. WATKINS. My time is limited, and I prefer to complete this statement. Then I shall be glad to yield, if I have time left.

Although H. R. 1573 would solve this problem, as would the amendment proposed by Senators HOLLAND, AIKEN, ANDERSON, and myself, it has certain other defects which seem in my opinion to outweigh its benefits. On the other hand, the substitute we have proposed not only would solve this problem, but has additional advantages as well. This I believe will be apparent, Mr. President, from the following analysis:

The basic reason for requiring that farmers must comply with acreage allotments in order to receive assistance under the agricultural conservation program, is to provide an added sanction to induce compliance with production controls so that production can more nearly be brought into line with demand. Although production controls at best are not too effective in bringing and keeping supply in line with demand, it is important in light of the big surpluses on hand of basic commodities that they be reinforced by other sanctions such as that provided by section 348. This is especially true with respect to the farms owned by one-third of our farmers, who produce 80 percent of our marketable crop value and who receive 85 percent of our net farm income.

However, I do agree with the committee which reported H. R. 1573, that section 348 should not apply to our small farms, especially those having wheat and corn acreage allotments of less than 15 acres. But I cannot agree that it should not be made applicable to the large commercial farms, which, though fewer in number, produce the bulk of our food and forage crops. Specifically, my reasons for this are:

First. If public funds are to be used to increase the capacity of these commercial farms, as is the case with respect to the agricultural conservation program, while at the same time the Government is obliged to support the prices of the crops in question, then the public interest certainly requires that sanctions be imposed which will work toward the goal of keeping supply in line with demand.

That the bulk of payments now made under the agricultural conservation program are for practices which pri-

marily increase output rather than build the soil as do more permanent type practices, is revealed by table 5 of the Summary of the Agricultural Conservation Program for 1953 published by the Department of Agriculture. In 1953, 42 percent of the \$185 million farmers received was spent for fertilizer and inorganic materials—limestone, phosphate and potash. Another 14 percent was used for protective manure crops.

In this connection, it is interesting to note that the commercial fertilizer producers are well aware of this fact, as the following newsletter dated May 3, 1955, by Robert M. Koch, executive secretary, National Agricultural Limestone Institute, Inc., indicates:

ACP AUTHORIZATION FOR 1956

NATIONAL AGRICULTURAL
LIMESTONE INSTITUTE, INC.,
Washington, D. C., May 3, 1955.

To Persons Interested in the Agricultural Conservation Program:

A week ago today the Senate, in the most unusual action taken since I have been associated with the agricultural-conservation program overwhelmingly approved continuing the ACP for 1956 at the \$250 million level. The administration originally requested \$175 million from the House and then, after it was passed by the House at \$250 million, it asked the Senate to reduce the amount to \$175 million. When the Senate Appropriations Subcommittee and the full Appropriations Committee reported the bill at \$250 million, Senator WILLIAMS, of Delaware, made an attempt on the Senate floor to reduce the 1956 ACP to \$195 million. In spite of the fact that his effort was to leave the program at \$20 million higher than that recommended by the Department of Agriculture, the Senate by a rollcall vote of 76 to 5 approved the \$250 million.

Strong bipartisan support was given to the program when many leading Republican and Democratic Senators pleaded for an adequate ACP. Everyone interested in the ACP should write to their Senators thanking those who supported the program at \$250 million and raising the question with those who voted against it as to whether they are voting in the best interests for the conservation of the soil in their States.

HOLLAND AMENDMENT

Furthermore, the repeal of the Holland amendment which had been expected momentarily has run into a serious snag. Here at the congressional level many fail to appreciate the significant effect which the so-called Holland amendment has on the administration of the ACP and the participation of farmers in this important program. Even though the House passed this bill unanimously to the Senate floor, we need grassroot support to assure passage. When Senator HOLLAND objected to passage of this bill on Monday, April 25, on the Consent Calendar, Senator LYNDON JOHNSON, majority leader, scheduled it for consideration immediately after the USDA appropriation bill Tuesday. However, Senator HOLLAND then asked for time in which to work out an acceptable compromise. He is planning to propose this compromise this week and we need contacts from the grassroots to assure repeal of this obstacle to the administration of the ACP. While airmail letters may be in sufficient time, if the bill comes up Thursday or Friday of this week, we need telegrams and telephone calls to head off the industrious work of Senator HOLLAND and the American Farm Bureau Federation, which is actively backing Senator HOLLAND's effort to restrict the administration of the ACP. On the back of this letter is a complete list

of Senators and how they voted on the ACP. Be sure and contact them on both the ACP and Holland amendment repeal.

Sincerely yours,

ROBERT M. KOCH,
Executive Secretary.

P. S.—Both USDA Assistant Secretaries McConnell and Peterson testified for repeal of H. R. 1573.

I sincerely hope, Mr. President, that the Members of the Senate will not yield to this type of selfish pressure.

Second. If we want to really advance soil conservation on lands devoted to the growing of soil-depleting crops, then farmers, if they are to be eligible for price supports on such crops—and they are the crops in question here—should be required to observe acreage allotments. In this respect I invite attention to the fact that from 1936 to 1944 the Department of Agriculture paid farmers \$1,666,300,000 under the agricultural conservation program to withdraw from production soil-depleting crops, including those here in question. Farmers were given an acreage allotment, and if they kept within that allotment they received an agricultural conservation program payment.

That such a practice was more of a permanent soil-conserving nature than most of those for which farmers are compensated today under the agricultural conservation program cannot be disputed. As Rainer Schickele, chairman of the agricultural economics department of North Dakota Agricultural College, has so ably stated in his recent book, *Agricultural Policy*:

The public interest is concerned primarily with erosion control, with keeping the topsoil in place, because it constitutes the non-renewable fund resource of the soil. Fertility maintenance, better farm use of water, and maintaining forages are essential only insofar as they are needed to control erosion. The ACP objective fails to make this important distinction. Consequently, a certain proportion of the available funds is used to pay for practices on land which would not have been permanently damaged if these practices had not been performed * * *.

There can be no question that a considerable part of the ACP payments are being made for practices on land where those practices are not necessary for the public interest in soil conservation * * *.

If the funds now disbursed on lands not subject to erosion could be shifted over to unprotected erodible lands the effectiveness of the program could be substantially increased. We, as a nation, would get more real soil conservation per tax dollar spent than we are getting now (p. 104).

Contrary to the opinion of some with respect to this matter, it is evident that not to require compliance with acreage allotments on soil-depleting crops as a condition for receiving ACP payments on farms having an allotment of over 15 acres would result in less conservation worthy of the name than would be the case if section 348 were repealed outright.

Third. The situation which H. R. 1573 is designed to correct is a problem primarily in only the commercial wheat and corn areas. Wheat farmers in the following States are not affected by the eligibility requirement imposed by section 348, since they are outside the commer-

cial wheat areas and acreage allotments are not allocated to farmers: Alabama, Arizona, Connecticut, Florida, Louisiana, Maine, Massachusetts, Mississippi, Nevada, New Hampshire, Rhode Island, and Vermont.

The same is true with respect to corn farmers in the States of Arizona, Alabama, Arkansas, California, Colorado, Connecticut, Florida, Georgia, Idaho, Louisiana, Massachusetts, Mississippi, Montana, New Hampshire, Nevada, New Mexico, New York, Oklahoma, Oregon, Rhode Island, South Carolina, Texas, Utah, Vermont, Washington, and Wyoming.

With respect to wheat and corn farmers having allotments of less than 15 acres, the problem can more effectively be solved by the amendment which Senators HOLLAND, AIKEN, ANDERSON, and I have proposed to H. R. 1573.

Mr. President, that concludes the statement I had intended to make on this amendment. I shall be glad now to respond to the distinguished Senator from South Dakota [Mr. CASE].

Mr. CASE. Mr. President, at the point in the Senator's remarks, where I sought to interrogate him, my attention was attracted by his reference to a comparison between marketing quotas and acreage allotments.

I thought I understood him to say that marketing quotas would be more severe than acreage allotments. I was wondering on what basis he felt that was true.

Mr. WATKINS. I do not know that I understand all the technicalities involved in the question, but I believe that to be a correct statement. I am not a member of the committee. I take that statement largely from Senators who have made a study of the subject.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WATKINS. I yield.

Mr. AIKEN. If a farmer has an allotment and he violates it, he loses his price support; if he violates his marketing quota he suffers a stiff penalty, which probably makes it unprofitable for him to violate the agreement.

Mr. CASE of South Dakota. I am not sure that that goes to the point here involved. I must say that my feeling through the years has been more and more that a marketing-quota system would be preferable to acreage allotments. I recognize the fact that that may be true in my case particularly, because of the problem that arises in an area of uncertain rainfall. Very frequently corn growers in South Dakota do not know whether they will have a crop or not because of the deficiency of rain. If there were a marketing quota, instead of an acreage-allotment system, the farmers would have the privilege of marketing a certain amount of their crop in a given season. If the rainfall was sufficient to enable them to reap a normal crop and anticipate their marketing quota, they could store it or carry it over. If in the next season the crop was short, they could perhaps benefit from a more normal marketing, and in that way have a normal income.

When acreage allotments under rigid controls are applied, and the allotments are cut successively 11 percent, or even as much as 30 percent, as happened in some of our counties in the past few years, the farmers are so restricted in their acreage that they do not have enough total production, even in a good year, to carry the cost of the equipment which it is necessary for them to have if they are to produce corn or wheat.

Therefore I have felt that it would be more humane and much fairer to apply a marketing quota system instead of an acreage allotment system. Each farmer could then carry his own ever-normal granary, so to speak, and have a normal income during the year.

Mr. WATKINS. There is considerable merit to the argument of the Senator from South Dakota. However, the present law requires acreage control instead of marketing quotas.

Mr. CASE of South Dakota. That may be so. However, what intrigued me was the remark of the Senator from Utah that marketing quotas would be more severe than acreage allotments. I was not sure that I wanted to accept that statement.

Mr. WATKINS. That may be, but that happens to be my opinion after studying the question.

Mr. CASE of South Dakota. I should like to ask one other question, which goes to the question of tying soil conservation practice payments to crop production allotments.

In my State soil conservation payments are tied to some specific program, such as the building of a dam or terracing or the planting of trees or the planting of legumes in place of crops. To do any work of that kind a farmer must necessarily make an investment himself. He must put some money into the operation, and also some effort. He sacrifices the prospect of immediate returns in the form of the production of a crop by devoting his land or his money or his effort to conserving water or conserving soil, from which he will get no monetary return. Therefore why should he not be encouraged to engage in such conservation practices, instead of being subject to the second penalty of being denied any cooperation on soil conservation practices if he exceeds his acreage allotment?

Mr. WATKINS. There is a very simple answer to that question. All the farmer has to do is obey the law which provides for the acreage allotment to him.

Mr. CASE of South Dakota. Obey the law?

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. Obey the law, or obey a regulation?

Mr. WATKINS. A regulation which is authorized by law and which the farmers accept voluntarily.

Mr. CASE of South Dakota. Why does the Senator believe 60 percent of the corn growers of South Dakota—and South Dakota is not a corn-growing State, although a considerable quantity of corn is grown in the eastern and southeastern areas of the State—refused to vote for allotments? It was because

the repeated cuts in the acreage allotted to them had so reduced their crops that they could not get a sufficient return to carry the investment in their land and machinery.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WATKINS. That is likely to happen under the program we have today.

Mr. THYE. Mr. President, will the Senator yield? I do not know who controls the time.

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. WATKINS. I control this time, and I do not know how much time the Senator from Florida wants me to take. Perhaps I am trespassing on the time of another Senator.

Mr. THYE. Will the other side of this question give me 1 minute so that I may make a brief statement? Will the other side allot a minute to the Senator from Utah so that he may yield to me on that point?

The PRESIDING OFFICER. The Senator from Utah has the floor under the statement by the Senator from Florida for as much time as he may desire.

Mr. HUMPHREY. Mr. President, in order to comply with the request of my distinguished senior colleague, I am willing to yield a few minutes for that purpose.

Mr. WATKINS. Mr. President, who is being charged with the time that is now being taken in this colloquy?

The PRESIDING OFFICER. The time now being used is under the control of the Senator from Florida [Mr. HOLLAND]. Approximately 20 minutes of that time has been used.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. WATKINS. I should like to know whether the time that is now being used by other Senators is time that has been allotted to me.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. WATKINS. I yield to the Senator from Florida.

Mr. HOLLAND. I shall be glad to yield time for a question by the Senator from Minnesota, provided that we will be reimbursed for that time by the junior Senator from Minnesota.

Mr. HUMPHREY. I yield 2 minutes for that purpose. Let us be brief.

Mr. WATKINS. I have already yielded to the Senator from South Dakota [Mr. CASE]. Does the Senator from Minnesota wish me to yield to him so that he may answer a question of the Senator from South Dakota?

Mr. THYE. I should like to make a brief comment.

Mr. HOLLAND. I am glad to yield to the Senator from Minnesota.

Mr. THYE. I believe a comment might well be made at this point on the subject under discussion between the Senator from Utah and the Senator from South Dakota. A small producer who intends to feed most of his crop, whether it be corn or wheat, is not concerned at all about his acreage allotment, because he would not seal up any corn. The acreage-allotment provision would concern

him only if he were to seal up any of his grain.

Since the so-called Holland amendment, or section 348, which we are now considering, was enacted, any good farmer in the diversified farming area who planted more than his allotted corn crop was disqualified from benefiting by the payments for soil conservation practices which are so desirable and necessary, if future generations are not to have land which is eroded and depleted.

All I am concerned with here is whether our soil conservation practices are to be continued. If they are, there is need to provide incentives to assure their continuation. The Extension Service which has existed for many years was trying to educate American farmers in good farming practices. However, many of those practices were not followed until an incentive program was established under the Agricultural Act.

I believe the proposed amendment contains more dangerous defects from the standpoint of damaging soil conservation practices than anything I can imagine. That is why I should like to have section 348 in the present act repealed.

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. WATKINS. The whole theory of the price support program and the acreage allotment system is to bring supply and demand into balance. It has not been brought in balance up to the present time, and it looks as though greater incentives will be needed.

Mr. CASE of South Dakota. We are not providing any way by which it may be done. We would be doing precisely the opposite, if the pending amendment should be agreed to.

Mr. WATKINS. That is not the way in which I view it.

Mr. CASE of South Dakota. A double penalty is involved.

Mr. WATKINS. Mr. President, I yielded for a question, but the Senators to whom I yield wish to make speeches.

I have no further time, unless the Senator from Florida desires to yield it to me. I have finished what I had to say.

Mr. HOLLAND. Mr. President, I yield myself 2 minutes.

The issue in this matter is whether to change the present law which provides for acreage allotments and is supplemented by a provision to the effect that if a farmer knowingly exceeds his acreage allotment he shall thereby be deprived of the largesse extended by Uncle Sam, and of receiving money from Uncle Sam under the ACP program.

We come down to this stage: During the past year I have heard many Senators say, "We believe in the rigid price-support program. We know perfectly well that a part of it involves strict acreage allotments. We believe in those strict acreage allotments and we believe in strict enforcement. The question is, Is the Senate of the United States when saying all those good and high-sounding things, going to put its tongue in its cheek by at the same time refusing to accept one of the methods which is so effective in causing the farmer to live up to his acreage allotments? Are we in earnest

about reducing the great agricultural overproduction which we have had, or are we merely saying we want to reduce it and, at the same time, propose so to cripple the Administrator and so to weaken the law that overproduction will continue?

Mr. President, I yield 10 minutes to the distinguished Senator from Vermont [Mr. AIKEN].

Mr. AIKEN. Mr. President, I had not expected to speak quite so early this afternoon, but I shall do the best I can under the circumstances.

Last year section 348 was inserted in the Agricultural Act of 1954. It was approved by the majority of the conferees of the House and the Senate. The provision was placed in the law in order to bring the other basic agricultural commodities under the same regulation under which the cottongrower had to operate for the past 15 years.

The provision was put into the act in an effort to find a way to enforce compliance with the law by those persons who had asked for the very law which some of them show every indication of violating, or encouraging the violation of, at the first chance they get.

Section 348 of the 1954 act had some defects. The Holland amendment is an effort to remedy those defects.

The amendment offered by the Senator from Florida would do these things:

It would exempt from the provisions of section 348 wheat growers who produce less than 15 acres of wheat. It is definitely an effort to assist small farmers who might be expected not to understand the law too well.

The amendment would exempt corn for silage. This would cover the situation referred to by the Senator from South Dakota [Mr. CASE], where farmers plant more than their allotment of corn. The amendment would permit them to put the corn grown on the excess acreage into the silo without incurring a penalty. In fact, I do not think silage corn should have come under the law any more than red clover, alfalfa, or other legumes and proteins.

The Holland amendment would do away with the necessity of the State committees of the respective States sending questionnaires or forms to every farmer, whether he produces basic crops or not. That is one of the nuisances resulting from the 1954 law.

Mr. CASE of South Dakota. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I have only 10 minutes.

This amendment would also relieve from the penalty the producer of those crops as to which controls had been voted down. That should be of particular interest to the wheat grower this year, in view of the rumors we hear that controls over wheat may be voted down. I am not expressing any opinion on that point.

If the Senator from South Dakota has a short question, I shall be glad to yield.

Mr. CASE of South Dakota. Was there not an exemption of peanuts?

Mr. AIKEN. Yes, of peanuts to be "hogged off." If a planter raises more peanuts than his allotment, then, in-

stead of digging them, he can turn the hogs in to the field.

Mr. CASE of South Dakota. Would the same thing apply to corn that is "hogged off."

Mr. AIKEN. It would apply under the proposed amendment to silage corn.

Mr. HOLLAND. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. HOLLAND. I should like to say for the information of the Senator from South Dakota that as the law now stands and as it has always stood, peanuts solely for fattening purposes have never come under acreage allotment. The purpose of this exemption is to protect the farmer who has no acreage allotment and who does not want to sell under the price-support program, but raises enough feed for his own operation.

Mr. AIKEN. Mr. President, the Senator from South Dakota is undoubtedly aware of the complaints of dairy farmers because the law places ensilage corn under controls. The amendment which is now proposed removes controls on corn raised for the silo, and I am sure it would be gratefully received by the dairymen of Wisconsin, Minnesota, Iowa, South Dakota, Illinois, and other States. It really liberalizes the law.

Mr. President, I would suggest to the Senator from Florida, however, a slight modification in his proposed amendment. In March the Senate passed without objection Senate Bill 46, which exempted from control wheat producers who used all their wheat on the farm who did not sell any at all, but used it for feed or for seed, and received no supports at all.

On page 2 of the amendment, line 8, after the word "acres," I would suggest adding the words "harvesting wheat for use as feed or seed on the farm where produced." Those words would be inserted to cover that type of crop, in the event the House should pass S. 46 which has been before it for the past 2 months. I do not know whether the Senator from Florida will accept that modification.

Mr. HOLLAND. I shall be glad to accept that modification, and I call attention to the fact that the very proposal of the insertion of the provision suggested was to take care of the problem facing the farmers, regardless of whether the House passed the other bill or not.

Mr. AIKEN. I would say, Mr. President, that the amendment does very well take care of the small farmer. It does not give the corporation farmer or the large farmer who cultivates from 100 to 10,000 acres the right to violate the law wilfully without incurring the penalty provided by section 348.

By the vote on the amendment, Mr. President, we shall be able to ascertain whether those who in the past have said, "Give us these high supports and we will control our crops" meant what they said, because if the amendment offered by the Senator from Florida [Mr. HOLLAND] and other Senators shall be rejected, it can only result in encouraging widespread violations of the law on the part of the corporation farmers and the large farmers who are not covered by the so-called Holland amendment.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. YOUNG. Does the Senator from Vermont realize that the amendment affects, to any degree, only the Midwest States of Ohio, Indiana, Illinois, Iowa, South Dakota, Minnesota, and Wisconsin? They are the States which would be hardest hit by the amendment. The amendment would have little effect on North Dakota or the other major wheat-growing States.

Mr. AIKEN. I am satisfied that there is pretty good compliance with the law in North Dakota. It could not be otherwise, because North Dakota is principally a one-crop State. I believe the benefits to Illinois, Ohio, and Indiana would be very marked, indeed, if only by reason of the elimination of silage corn from the penalties.

Mr. YOUNG. The Senator from Vermont said that North Dakota was a one-crop State. North Dakota is one of the most diversified farming States in the Nation.

Mr. AIKEN. I may say that my own State also is largely a one-crop State, because three-fourths of the agriculture income is derived from dairy herds.

I believe that 52 percent of the income in the Senator's State of North Dakota, agriculturally speaking, comes from price supported crops. The income in North Dakota from that source is among the highest in the Union in that respect.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. AIKEN. Mr. President, will the Senator from Florida yield an additional 2 minutes?

Mr. HOLLAND. I yield 2 minutes to the Senator from Vermont.

Mr. AIKEN. As best I can see, those who would profit from the rejection of the amendment offered by the Senator from Florida would be those who intend to violate the law. If they simply overplant, the 1954 act provides that they may correct their acreage. For instance, section 374 of the 1954 act reads:

The Secretary shall provide, through the county and local committees, for measuring farms on which corn, wheat, cotton, peanuts, or rice is produced and for ascertaining whether the acreage planted for any year to any such commodity is in excess of the farm acreage allotment for such commodity for the farm under this title.

Paragraph (c) of the same section provides:

If the acreage determined to be planted to any basic agricultural commodity on the farm is in excess of the farm acreage allotment, the Secretary shall by appropriate regulations provide for a reasonable time prior to harvest within which such planted acreage may be adjusted to the farm acreage allotment.

That would give farmers time in which to cut off their extra planting of corn and to put it in the silo. It would give them time to curtail their acreage, so that they would not incur either the penalty provided by section 348 or the penalty of 50 percent of the support price, which is found elsewhere in the law.

I should say that if the proposed amendment should be rejected, then we should only be giving a green light to those who willfully and knowingly intend to violate the law.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. AIKEN. I shall not ask for additional time now.

Mr. HUMPHREY. Mr. President, I yield 5 minutes to the distinguished junior Senator from North Dakota; and if he needs more time, I shall be happy to comply with his request.

Mr. YOUNG. Mr. President, I think the junior Senator from North Dakota can speak as objectively on the proposed legislation as can the sponsors of the amendment. The amendment would have little effect on North Dakota. Practically all our wheat farmers are in compliance; and North Dakota has only one county in the commercial corn area.

The States of four sponsors of the amendment, the Senator from Florida [Mr. HOLLAND], the Senator from Vermont [Mr. AIKEN], the Senator from Utah [Mr. WATKINS], and the Senator from New Mexico [Mr. ANDERSON]—are all outside the commercial corn area, so they are not affected at all in that respect. Some wheat is produced in those 4 States, but 2 of the States are outside the commercial wheat area and not affected by the pending amendment.

The amendment exempts the farmer who produces only a few acres of wheat.

All of us who have spoken thus far today are pretty much outside the area which would be hardest hit by the amendment. On the basis of last year's compliance with quotas and acreage allotments, this would be the effect:

The State hardest hit would be Illinois. 32,352 wheat farmers were out of compliance last year. 150,356 corn farmers were out of compliance last year.

The modified amendment does fairly well by wheat producers, so many of the farmers who were out of compliance last year would now be in compliance. But the amendment would do little to change the corn situation, according to the top officials of the Department of Agriculture. Therefore, to allow farmers to harvest a few more acres of corn to fill silos would change very little the figures of noncompliance last year.

The State which would be the second hardest hit would be Iowa. The amendment would have little effect on its 695 wheat farmers who were out of compliance. But Iowa had 122,381 corn farmers who were out of compliance last year. They will probably have as many this year.

The State which would be third hardest hit is Indiana. Indiana had 36,112 wheat farmers and 114,434 corn farmers who were out of compliance last year.

Nebraska would be hard hit. It had 7,024 wheat farmers and 53,146 corn farmers out of compliance last year.

Wisconsin, Minnesota, and South Dakota would be hard hit, so far as the corn farmers are concerned. In these States hundreds of thousands of farmers would be ineligible for soil-conservation payments.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. CASE of South Dakota. Does the Senator from North Dakota have the figures with reference to the total number of corn farmers in South Dakota who would be affected?

Mr. YOUNG. In South Dakota, 638 wheat farmers were out of compliance last year. Most of them would be in compliance under the modified amendment. Twenty-nine thousand seven hundred and forty corn farmers were out of compliance last year.

Mr. CASE of South Dakota. Twenty-nine thousand seven hundred and forty corn farmers is a pretty sizable proportion. I think that number is probably more than the 60 percent I suggested.

Mr. YOUNG. Yes. The very fact that a farmer is denied soil-conservation payments takes away the inducement for him to comply with the corn allotments or the wheat quotas. A corn farmer can raise additional corn and make far more money than he can by receiving a small soil-conservation payment, which does much in a State like Massachusetts to help bring about better soil conservation.

Mr. CASE of South Dakota. It does not bring a corn grower into compliance; it merely induces him not to do anything with respect to soil conservation in a cooperative plan.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. CARLSON. Does the Senator from North Dakota have the figures as to noncompliance on the part of wheat and corn farmers in Kansas?

Mr. YOUNG. In Kansas, 9,787 wheat farmers would be out of compliance on the basis of last year's figures. But, again, most of them, under the modified amendment, would be in compliance.

The PRESIDING OFFICER. The time of the Senator from North Dakota has expired.

Mr. HUMPHREY. I yield an additional 5 minutes to the Senator from North Dakota.

Mr. YOUNG. Kansas would have 18,397 corn farmers out of compliance.

Mr. CARLSON. I think that is a rather interesting figure. I am in accord with the Senator's view that the wheat farmers would largely be in compliance under the Holland amendment. I have a grave question about the 18,397 corn farmers, because in a few counties in Kansas, in the commercial corn area, corn is not used for silage, except in certain instances. It is grown to feed cattle, and is not sold. So that is an important item in the bill, and I appreciate receiving the figures.

Mr. AIKEN. Mr. President, will the Senator yield for a short question?

Mr. YOUNG. I yield.

Mr. AIKEN. Why should not a corn or a wheat grower, producing grain for commercial use, comply with the law, whether he be in Illinois, Ohio, Kansas, North Dakota or any other State? Why should he not comply?

Mr. YOUNG. I think every farmer, taking advantage of price supports, should comply, and it is to his best interest to do so.

Mr. AIKEN. They would not lose anything under the ACP payments if they complied.

Mr. YOUNG. I think many corn farmers feel it unnecessary to comply. There were nearly 1 million corn farmers who did not comply last year, but still we do not have a surplus of corn this year.

Mr. AIKEN. Why not take them out of the program?

Mr. YOUNG. Why destroy the soil conservation program to get even with some farmers?

Mr. THYE. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield to the Senator from Minnesota.

Mr. THYE. The Senator from North Dakota is making a reasonable and sound explanation of the entire question. Suppose I were a corn producer, growing 100 acres of corn in northern Iowa, and I were feeding 400 head of steers. I would feed them all of my corn, and probably buy some from other producers. Under the particular amendment before the Senate, if such a farmer in any sense should grow more corn than had been allotted to his farm, even if he did not intend to sell a bushel of it, he would immediately be disqualified to receive payments for good conservation practices, such as taking care of an eroding ditch or taking care of some of the contour in the rolling countryside of western Iowa. He would be absolutely disqualified from coming under any phase of the program. Yet he does not ask for a cent from his Government in the way of price supports, because he feeds every bushel and acre of corn he produces.

We have that kind of farmers in Minnesota. That is one reason why the greatest number out of compliance so far have been in Nebraska, Iowa, Indiana, and Minnesota. Most of the producers there grow their crop to feed their own cattle, or use it for other feeding operations. The only reason why they concerned themselves at all with the program was their desire to carry out what was advocated as a sound conservation program to preserve the fertility of the land for future needs.

I say section 348 in last year's agricultural act had a tendency to stifle and spottily to destroy good soil conservation practices. That is the reason why I am opposed to that section.

I am fully aware that the Farm Bureau is supporting the amendment, so I am in opposition to an organization with which I have worked for years. But when one applies the results of the operation of the section to the Nation as a whole, he will see that it makes soil conservation practices spotty. Any producer who stepped out of line to get the feed he needed for his feeding operations would be denied the right to participate in payments for soil conservation practices, whether they be technical, or liming for the purpose of getting a good stand of legumes.

I say there are times when we walk ourselves into difficulty, and dislike to turn around and get ourselves out of it. The amendment before the Senate is a proposal to modify something we should not have done last year.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. Mr. President, I yield 3 additional minutes to the Senator from North Dakota.

Mr. YOUNG. Mr. President, I wish to thank the senior Senator from Minnesota [Mr. THYE] for his appropriate remarks. He has been a farmer all his life and is a farmer now. I know of no man better qualified to speak on the subject than the senior Senator from Minnesota.

I have always believed that the soil-conservation program was tremendously important. I thought it was good enough to stand on its own legs. I should dislike very much to see the program destroyed by making farmers ineligible for its benefits because they had not complied with some other program which probably was not nearly so important.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks the chart from which I just read, which was prepared by the Department of Agriculture.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Number of farms harvested in excess of 1954 allotment

State	Wheat	Corn
Maine.....	42	-----
New Hampshire.....	2	-----
Vermont.....	65	-----
Massachusetts.....	13	-----
Rhode Island.....	14	-----
Connecticut.....	20	-----
New York.....	12,441	-----
New Jersey.....	1,341	2,262
Pennsylvania.....	24,744	33,101
Ohio.....	49,106	97,352
Indiana.....	36,112	114,434
Illinois.....	32,352	150,356
Michigan.....	28,547	50,480
Wisconsin.....	3,491	59,192
Minnesota.....	3,699	78,357
Iowa.....	695	122,381
Missouri.....	35,460	77,466
North Dakota.....	559	1,178
South Dakota.....	638	29,740
Nebraska.....	7,024	53,146
Kansas.....	9,787	18,397
Delaware.....	175	3,941
Maryland.....	2,161	10,632
Virginia.....	15,108	4,962
West Virginia.....	1,591	-----
North Carolina.....	24,036	31,345
South Carolina.....	11,694	-----
Georgia.....	7,336	-----
Florida.....	255	-----
Kentucky.....	7,504	33,119
Tennessee.....	11,293	16,868
Alabama.....	1,618	-----
Mississippi.....	854	-----
Arkansas.....	2,227	5,421
Louisiana.....	171	-----
Oklahoma.....	8,153	-----
Texas.....	7,953	-----
Montana.....	1,547	-----
Idaho.....	5,934	-----
Wyoming.....	449	-----
Colorado.....	2,232	-----
New Mexico.....	307	-----
Arizona.....	78	-----
Utah.....	3,745	-----
Nevada.....	215	-----
Washington.....	484	-----
Oregon.....	2,527	-----
California.....	590	-----
United States.....	366,389	-----

Mr. YOUNG. Mr. President, I also ask unanimous consent to have printed

in the RECORD as a part of my remarks a chart, also prepared by the Department of Agriculture, showing how many tobacco farmers were out of compliance and would be ineligible for soil conservation payments. The total for the United States is 30,839.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Estimated number of farms harvested in excess of 1954 allotment

TOBACCO	
Alabama.....	61
Arkansas.....	2
Connecticut.....	40
Florida.....	142
Georgia.....	631
Illinois.....	6
Iowa.....	0
Indiana.....	529
Kentucky.....	10,240
Maryland.....	500
Massachusetts.....	10
Minnesota.....	2
Missouri.....	22
New Hampshire.....	0
North Carolina.....	7,583
Ohio.....	629
Pennsylvania.....	1
South Carolina.....	2,914
Tennessee.....	5,218
Texas.....	1
Vermont.....	0
Virginia.....	1,883
West Virginia.....	386
Wisconsin.....	39
Total.....	30,839

Mr. YOUNG. Mr. President, I also ask unanimous consent to have printed in the RECORD as a part of my remarks a table showing how many cotton farmers were out of compliance last year. The total number in the entire United States was only 11,197.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated number of farms harvested in excess of 1954 allotment

COTTON	
Alabama.....	3,108
Arizona.....	144
Arkansas.....	210
California.....	103
Florida.....	58
Georgia.....	1,221
Kentucky.....	8
Louisiana.....	207
Mississippi.....	778
Missouri.....	242
New Mexico.....	67
North Carolina.....	1,200
Oklahoma.....	619
South Carolina.....	784
Tennessee.....	1,604
Texas.....	793
Virginia.....	51
Total.....	11,197

Mr. YOUNG. Mr. President, I also ask unanimous consent to have printed in the RECORD, as a part of my remarks, a table showing the average 1953 ACP payments, or soil conservation payments, made to the farmers of the respective States. Again, for the benefit of the Senator from Kansas [Mr. CARLSON], I should like to say that table shows that the State of Kansas received the highest average payment under the soil conservation program, \$151. New Jersey was the second highest, with average pay-

ments of \$107. The average payment in North Dakota was \$82.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Average 1953 ACP payment

Arkansas.....	\$94.00
Delaware.....	109.00
Illinois.....	72.00
Indiana.....	57.00
Iowa.....	54.00
Kansas.....	151.00
Kentucky.....	56.00
Maryland.....	84.00
Michigan.....	63.00
Minnesota.....	54.00
Missouri.....	81.00
Nebraska.....	70.00
New Jersey.....	107.00
North Carolina.....	47.00
North Dakota.....	82.00
Ohio.....	54.00
Pennsylvania.....	79.00
South Dakota.....	93.00
Tennessee.....	67.00
Virginia.....	69.00
West Virginia.....	51.00
Wisconsin.....	54.00

1953 appropriation, \$250 million.

1954 appropriation, \$195 million.

Mr. YOUNG. Mr. President, I also ask unanimous consent that a table showing the estimated number of farms harvested in excess of 1954 allotment with respect to peanuts be printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated number of farms harvested in excess of 1954 allotment

PEANUTS	
Alabama.....	300
Arkansas.....	25
California.....	1
Florida.....	159
Georgia.....	750
Mississippi.....	1
New Mexico.....	25
North Carolina.....	2,000
Oklahoma.....	400
South Carolina.....	50
Tennessee.....	4
Texas.....	1,000
Virginia.....	950
Total.....	5,665

Mr. YOUNG. Mr. President, I hope the Senate will reject the Holland amendment and will pass the Humphrey bill which is now pending before the Senate.

Mr. HUMPHREY. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. HUMPHREY. One of the arguments used by the proponents of the Holland amendment is that if we repeal section 348 we will be condoning breaking the law, and we will be giving the green light to farmers to overplant and violate the law. Those arguments are fallacious, and, what is more, they do not stand even the test of logic.

First of all, the soil-conservation program was never intended as a punitive measure.

Secondly, the thing that is wrong about section 348, and the reason it should be repealed, is that it is out of harmony with control mechanism in the matter of corn production.

I should like to use an analogy. What the Senator from Vermont [Mr. AIKEN] and the Senator from Florida [Mr. HOLLAND] and their colleagues are saying is that if the driver of an automobile speeds, using the parlance of a traffic violator, he should lose the right to have safe driving lessons. In other words, here is a violator who is subject to prosecution for speeding under a certain law, to be hauled into court, to be subject to the jurisdiction of the court, and to be fined, or to be sentenced to the workhouse. But the Senator from Vermont and the Senator from Florida say that it is not sufficient. Of course, the promoters of the safe driving program which has been sponsored by the schools as a public service contend that a violator of the law who comes before the court should be subject not only to fine or the possibility of imprisonment, but he should be required to take safe driving lessons.

I use the analogy because the soil-conservation program is designed to help farmers to produce better and to conserve their land. The soil conservation program was not designed to be a club or a stick to discipline farmers into compliance. The soil-conservation program was designed to protect the fertility of the soil.

Mr. BARKLEY. Mr. President, I do not know whether the Senator has time to yield.

Mr. HUMPHREY. I do. I yield to the Senator from Kentucky.

Mr. BARKLEY. I am trying to get the picture of the situation which is presently before us. The proposal before the Senate would repeal that section of the law which penalizes the farmer by taking away from him conservation rights if he violates production limitations.

Mr. HUMPHREY. That is correct.

Mr. BARKLEY. I have always assumed that the farmer, who is a victim of the seasons, did not violate the law or regulations intentionally.

Mr. HUMPHREY. However, let me say that section 348 says "farmers who knowingly."

Mr. BARKLEY. That is simple enough.

What does the Holland amendment do?

Mr. HUMPHREY. Perhaps I should rely upon the sponsors of the Holland amendment to explain it, because I have had a little difficulty in determining exactly what its result will be. But I can say that the Holland amendment makes special provision for wheat farmers who grow wheat on 15 acres or less, and it also makes some special provision for ensilage.

At this time I yield to the Senator from Florida, so that he may tell us what the other provision is.

Mr. HOLLAND. There are two other provisions, one is in case a price-support program has been voted down by the farmers, so that such a program is not applicable; and the other is in the case of peanuts, where the farmer is planting peanuts for seed only or for the fattening of hogs, by turning them into the field. In such case the peanut farmer is

allowed to raise enough peanuts so that he will have sufficient seed for the next year.

There is also a provision allowing the Secretary of Agriculture some latitude in the regulations, so as to prevent much of the paper work which at the present time is required.

Mr. BARKLEY. I thank both Senators. However, I am not yet quite clear as to the effect of the amendment.

Mr. HUMPHREY. I shall try to help the Senator from Kentucky.

Mr. BARKLEY. I have felt for a long time that it was quite unfair to penalize a farmer who had slightly overproduced because nature had stepped in and played its part. It has seemed to me that a farmer who is the victim of such circumstances should not be denied his soil-conservation payments on that account. So I am in favor of repealing the section which would penalize the farmer in that way.

I do not understand clearly how the amendment of the Senator from Florida would modify that section.

Mr. HUMPHREY. I shall let the Senator from Florida speak on the amendment in his own time.

At this time I wish to say that the point attempted to be made by the proponents of the Holland amendment is that the repeal of section 348 will encourage law violation. Let me say that if section 348 shall be repealed, there will be no such law to violate. Section 348 is bad law, in the first place, and never should have been included in the bill of last year. It was not in the bill when it was passed by the House of Representatives, but came into the bill as the result of the conference. I may remind my colleagues that a substantial number of the Members of the Senate voted against all parts of the bill which came, last year, from the Committee on Agriculture and Forestry.

Mr. President, soil conservation stands on its own right and has its own privileges and responsibilities. We have provided severe penalties for violating marketing quotas, and we have provided penalties for violations of acreage allotments. If a farmer violates his acreage allotments, he receives no price supports; and that means that he will not receive a loan upon any crop he may have to store, in order to wait for a better market. That penalty is in effect. Why use soil-conservation payments—which never were supposed to operate as a penalty—as a further club or disciplinary weapon over the farmer?

My distinguished colleague, the Senior Senator from Minnesota [Mr. THYE], pointed out very aptly what happens. Large numbers of farmers, particularly corn farmers, never take advantage of the price-support program. Instead, they feed to livestock the corn they produce. However, if such a farmer exceeded by one-tenth of an acre or one-half of an acre or 1 acre his corn allotment, he would be denied soil-conservation benefits, even though he would never sell 1 ear of corn in the market, and even though he would not seek a loan, and even though he would not go into

the market at all, to sell any of his product.

It is true, Mr. President, that we wish to have production quotas and acreage allotments enforced. But soil-conservation benefits should not be used as a means of enforcement. There is other provision of law for such enforcement.

Soil conservation payments are to be used by farmers in a cooperative relationship with their Government. As a matter of fact, the average soil-conservation payment from the Government to the farmer is approximately \$50. Let us be frank about this matter, Mr. President. If soil-conservation benefits or payments are canceled, certainly there is no punitive effect in respect to preventing a farmer from overplanting, for if he overplants only a little, he will receive a greater benefit from the overproduction than the total amount of his soil-conservation payments. The result is that many farmers overproduce; and if thereafter the farmers' soil-conservation payments are denied them, with the result that they do not engage in soil conservation, the resultant situation operates to the detriment of the land and to the detriment of future generations.

Mr. President, soil conservation is needed, regardless of whether there is a price-support program. Soil conservation is long overdue, regardless of whether we ever dream of having a crop-loan and crop-storage program.

All I can say about section 348 is that it never should have been in the law in the first place. Yet the proponents of the Holland amendment say, "The repeal of section 348 will result in violations of the law."

Mr. President, in the District of Columbia there are some ordinances which are antiquated and outmoded and ineffectual; and day by day various persons violate them. In that case, the thing to do is to repeal such antiquated laws. Today we do not tell people that they must drive down Pennsylvania Avenue only 5 miles an hour with a team of horses. Instead, we repeal any such antiquated law. That is what I recommend that we do in this case.

Mr. President, the Department of Agriculture reported to the Committee on Agriculture and Forestry that section 348 is ineffective, is difficult of administration, is retarding soil conservation, and is not controlling crop production. So why should such a provision be retained in the law?

The fact that we made a mistake once does not mean that we have to compound it by now adopting the Holland amendment, which only would put a new suit of clothes on an old frame which long ago should have been discarded.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I yield an additional 5 minutes to myself.

Mr. BARKLEY. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. BARKLEY. In addition to the objections the Senator from Minnesota has raised, is section 348 enforceable?

Mr. HUMPHREY. No; it is not enforceable.

Mr. BARKLEY. Has the Department of Agriculture so reported?

Mr. HUMPHREY. The Department of Agriculture has recommended the repeal of section 348. The Department says section 348 is administratively difficult to handle and to enforce, and the Department sees no particular benefit to accrue from section 348.

Furthermore, last week two national conferences of soil-conservation officials—one in St. Paul, Minn., and the other in Memphis, Tenn., where the chairman of the committees and other officials met—expressed their concern because Congress had not yet repealed section 348. They are concerned because of the serious interference of section 348 with a large number of farmers in their participation in the 1955 soil-conservation program.

We suffer from wind erosion and drought. Yet the farmers who may have overplanted corn, wheat, or other supported crops are finding themselves denied the benefit of soil conservation at a time when they need it the most.

Mr. President, how ridiculous can we get? It means to me that we have a moral obligation—for the good of the entire future of agriculture—to rectify an existing error in the law.

I know of very few organizations in the Nation which are interested in soil conservation and production control which are not in favor of the repeal of section 348.

Mr. CASE of South Dakota. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. CASE of South Dakota. I should like to have the Senator from Minnesota follow me in a brief description of a situation I have in mind, so as to see whether I correctly understand this matter. I understand that if a farmer desires to engage in soil-conservation practices, the Government wishes to encourage him to do so; and because such practices are expensive, and because when he engages in soil-conservation the farmer must devote some of his land to the building of dams or to the building of terraces, and because such practices do not pay immediately, with the result that temporarily the farmer has to sacrifice some of his income, the Government says to him, "If you engage in this practice, we will share the cost with you."

Mr. HUMPHREY. That is correct.

Mr. CASE of South Dakota. That is done as a means of encouraging the farmer to participate in the soil-conservation program.

In addition, the Government says to the farmer, "If you reduce the production of certain crops, we will provide you with a high support loan."

Mr. HUMPHREY. That is correct.

Mr. CASE of South Dakota. In the case of some farmers who were not able to comply with the acreage allotment now, because of the Holland amendment of last year, the Government says, "If you do not comply, we cannot go along with you on the soil-conservation pro-

gram." So the effect of the pending amendment, it seems to me, would simply be to reduce farmer cooperation in the soil-conservation program. Furthermore, I do not believe the Holland amendment will persuade a single farmer to be in compliance with the acreage allotments or production quotas.

Mr. HUMPHREY. The Senator from South Dakota has stated the argument succinctly, concisely, and persuasively. He is exactly correct. I say that the proponents of the Holland amendment or the proponents of section 348 can bring to the Senate no evidence which would indicate that if we were to keep section 348, as now written in the law, or as modified by the Holland amendment, it would promote any further compliance with acreage allotments and marketing quotas. It would not have such an effect.

Mr. CASE of South Dakota. It would not have such an effect; and on the other hand, so far as soil conservation is concerned, it would be definitely a destructive measure.

Mr. HUMPHREY. The Senator from South Dakota is correct and I thank him.

The other specious argument which has been raised in support of a political and economic ghost is that a repeal of section 348 will help the corporation-sized farms. Let us take a look at that argument. Nothing could be further from the truth. Is a farmer who grows 6 acres of corn to feed his livestock when he has only a 5 acre allotment a corporation-type farmer? Is a farmer who grows 16 acres of wheat a corporation-sized farmer when he has an acreage allotment of only 15 acres? Such farmers and all others in the family-size farm category would be ineligible for ACP payments under the proposed substitute, just as they are under the present section 348.

Let me say to my good friend, the Senator from Vermont [Mr. AIKEN] that I understand that some of the farmers of Vermont grow a little tobacco. They may grow an acre and a half or 2 acres of tobacco. I would hardly call them corporation-size farmers. Under the present program, because of section 348, or under the Holland amendment, if they should exceed their allotment by 0.1 or 0.2 of an acre, they would lose all possibility of soil conservation benefits for their land under the ACP program.

I feel that our responsibility is clear-cut. We happen to have a bad provision, among other bad provisions in the law. Here is an opportunity to take some remedial action.

This has nothing to do with flexible price supports or rigid price supports. That is a non-germane, extraneous argument. Whether price supports are 50 percent of parity or 75 percent of parity, or whether they flex like an old rubber band makes not a bit of difference. The truth is that both under flexible price supports and rigid price supports acreage allotment and, in some instances, market quotas, all imposed for production control.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. I yield myself 1 more minute.

If the argument advanced were sound, it would make no difference whether the price support were 110 percent of parity or 20 percent of parity. If a farmer violates his acreage allotment, he loses his ACP payment. So let us not bring in the argument of price supports, to see if we cannot muster some flexible price supporters against the repeal of section 348, or muster some rigid price supporters for the repeal of section 348. The two are unrelated. They are not even close cousins. They are not even kinfolk. They live in different parts of the political atmosphere. I suggest that we stay with the issue.

Do we wish to provide for further soil conservation, or do we not? Do we wish to restrict the soil conservation program by making soil conservation payments a club and a punitive measure for rigid price support enforcement, or do we wish to progress on the basis of conserving the soil and cooperating with the farmer and the Government in a relationship which has been established for almost 15 years?

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I shall be glad to yield some time to the Senator from South Carolina.

Mr. THURMOND. I merely wish to ask a question.

Mr. HUMPHREY. I yield for a question.

Mr. THURMOND. I think the Senator has covered my point in his argument, but I should like to ask a specific question.

Is there not sufficient penalty under the law now to punish for overplanting, if section 348 is repealed?

Mr. HUMPHREY. Indeed there is.

Mr. THURMOND. Is there any connection between denying a farmer soil-building payments if he engages in soil-building practices, and punishing him for overplanting, which is an entirely different matter?

Mr. HUMPHREY. Will the Senator repeat his question?

Mr. THURMOND. Is there any connection between denying a farmer soil-building payments if he performs soil-building practices, and punishing him for overplanting, which is a different subject?

Mr. HUMPHREY. There is no relationship whatsoever.

Mr. THURMOND. Should there ever have been a combination or merging of those two subjects in the same provision of the law?

Mr. HUMPHREY. There should not have been, particularly when we consider only acreage allotments. If we are considering marketing quotas, it is easier to enforce production controls, but acreage allotments are not quite so easy to enforce.

Mr. THURMOND. Would not the repeal of section 348 tend to stimulate soil building rather than to discourage those practices?

Mr. HUMPHREY. That is the view of the Soil Conservation Service. It is the view of those in the Department of

Agriculture who are responsible for soil-conservation programs under the ACP program. It is the view of the State committees on soil conservation. It is the view of the Secretary of Agriculture. It is the view of the Grange, and of the National Farmers Union. I know it is the view of several State farm-bureau organizations.

Mr. THURMOND. Is there anything more important we can do for this generation of farmers and the future than to encourage soil-building practices?

Mr. HUMPHREY. Let me say to the distinguished Senator from South Carolina that one of the great moral, economic, and social responsibilities of this generation and all generations yet to come is to protect, with all the force and power at our and their command, the fertility of our soil. That is a great resource which belongs to the people. It is the basis of a strong American economy. For the life of me—and I say this most respectfully—I cannot see why we should want to tie in a constructive, forward-looking program like soil conservation as a club or punitive measure to enforce price-support regulations. That would be like denying a child the opportunity of going to Sunday school because he had stayed out late some night during the previous week. The fathers and mothers of America have other means of disciplining delinquent children. They usually encourage them to go to Sunday school if they break the rules of the household. But that is not true in this instance.

The Senator from Florida [Mr. HOLLAND] in his amendment says, in effect, "If you stay out late, not only will you be spanked, but we will not let you go to Sunday school." What good does that do? It seems to me that the spanking ought to be enough, and that the Sunday school is long overdue.

If a farmer violates his acreage allotment and production quota, he gets the penalty of no price supports. He gets the penalty of no crop loan. He is left on his own, with no help from the Government to enable him to obtain a fair price for his commodity. That is ample penalty. But we should not compound that penalty by saying, "Not only shall you suffer that penalty, but we will also deny you the right to take good care of your soil. We will also deny you the opportunity to work with the Government of the United States in a great program established for the public good."

I cannot understand why we even hesitate. I do not think we shall. I am ready to vote now. I am sure that logic, reason, and prudent judgment are on our side.

Mr. THURMOND. Is it not true that all the bill does is to eliminate the penalty provided by section 348?

Mr. HUMPHREY. The Senator is correct.

Mr. BARKLEY. Mr. President, if the Senator from Minnesota has a minute I should like to ask him a question.

Mr. HUMPHREY. I yield to the Senator from Kentucky.

Mr. BARKLEY. Is it not true that the price support program is a year-by-year program?

Mr. HUMPHREY. The Senator is correct.

Mr. BARKLEY. It may be continued or it may be terminated in any year by a two-thirds vote of the farmers. They decide whether or not they want it. On the other hand, soil conservation is a long-term program, not limited by years or by decades. It is a program for the future as well as for the present.

Mr. HUMPHREY. Its design and purpose was long-range, from decade to decade and from generation to generation. One of the reasons we have provided these payments is to encourage farmers to engage in the early practice of soil conservation, to help them to help themselves. We have done this all around the world, for other people. It seems to me that we ought to do it at home.

Mr. BARKLEY. Two decades ago we woke up to find that about a third of our rich soil had washed away and been eroded, and that if that process were to continue we might, as our population increased and as our soil fertility decreased, find ourselves in the situation in which many other countries are, namely, overpopulated and underproductive. Therefore the soil-conservation program is a long-term program, which has no connection whatever with the year-by-year program of price supports for the various crops included in the law.

Mr. HUMPHREY. I thoroughly agree with the Senator's observation. Now that the proponents of the Holland amendment are recommending a very slight modification of the objective of section 348, I want them to produce one scintilla of evidence that section 348, as written, or section 348, as modified by the Holland amendment, has any effective relationship to price supports and production controls. In other words, does it operate to control production? I believe the answer is obvious that it does not, because where this program is most desirable and where it is needed the most is in the great midwestern area, in the corn-producing States, in which are found probably the largest number of farmers who are not in compliance with their quotas. They will not be in compliance with their quotas, I say respectfully, for a benefit payment of \$25 from the Federal Government. They will not do it. If we want to pass soil-conservation legislation, let us pass that kind of legislation. If we wish to have price supports, we should legislate price supports. We should not mix the two. When we mix the two or set either up as a yardstick or as a disciplinary weapon, we destroy the whole effectiveness of the soil-conservation program.

Mr. HOLLAND. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Florida has 24 minutes remaining.

Mr. HOLLAND. Mr. President, I yield myself 10 minutes.

The first thing I wish to do is to answer the challenge of the distinguished Senator from Minnesota [Mr. HUMPHREY] as to whether section 348 will work or can work. The best evidence of the fact that it will work and can

work is the fact that in the cotton industry, to which it has applied continuously for many years, there is the highest degree of compliance that is found in any large agricultural industry of the Nation.

The distinguished Senator from North Dakota [Mr. Young] has put into the RECORD some figures which are pertinent. My recollection is that he said the number of cotton farmers in the Nation who were out of compliance last year—and that was planting out of compliance, and those farmers could still comply before harvest time, as most of them did—was only 11,000. That is 11,000 out of more than a million cotton farmers in the Nation.

In other words, about 1 percent were out of compliance in their planting. Under the provision of last year's act, which became applicable for the first time this year as to other commodities, but which was applicable last year to cotton—

Mr. THYE. Mr. President, will the Senator yield?

Mr. HOLLAND. I do not wish to yield at this point.

The PRESIDING OFFICER. The Senator from Florida declines to yield.

Mr. HOLLAND. Under the provisions of that law, which allowed farmers to come into compliance by harvest time, very nearly all of the cotton farmers were in compliance by the time of the harvest.

That fact is incontrovertible, and the Senator cannot and need not try to controvert it. The cotton producers of the Nation are the ones who have been in closest compliance with these programs all the way through.

The reason why they have been in such close compliance is that a similar but stronger provision was made applicable to them through these programs. There cannot be any better evidence than the type of performance we have had, and Senators know that the cotton industry is a complying industry.

Listening to the arguments of the opposition, one would think that it is almost a crime to comply with the acreage limitation restrictions of the act. The purpose of the act is to protect the farmers. It offers them a chance to control their production. The world knows and our people are keenly aware of the fact that we are producing more than we can consume. The warehouses are full of agricultural commodities. Ships are full of them. Every place we can find to store such commodities is full.

Last year we passed a law in the hope of putting some brakes upon overproduction. Now come distinguished Senators who try to take off one of those brakes. It is a brake which has shown its effectiveness in the cotton industry. It is a brake which will show its effectiveness in other industries, if it is given a chance to operate. It has not been given a chance, because it has only become effective this year for the first time.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I decline to yield at this time. Are Senators fearful that the same degree of effectiveness will prevail

in the other agricultural industries that has already prevailed in the cotton industry? Are they afraid to allow a year's experience on this restriction, which would encourage compliance? Or are they simply pleading, like angels with trumpet tongues, for a violation of the law?

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. YOUNG. The Senator speaks about making it more necessary for the wheat farmer to comply with the program. Under the modified amendment of the Senator, the wheat farmer is almost entirely out of it, and the amendment affects almost entirely the corn producer.

Mr. HOLLAND. The Senator could not be more mistaken. The only wheat farmers who are out of it are those who produce up to 15 acres of wheat. The Senator has stated in his able argument that there were so few affected farmers in his own State that the provision hardly applied to his State. The fact is that the only farmers who are taken from under the act are those who are already out from under it, in decency and equity, because of the provision of the price support act which is already in effect, that when a farmer plants up to 15 acres, he is exempt. However, in order to have no question raised on this point, the pending amendment was offered by myself and three other Senators. That amendment makes it clear that a wheat farmer can plant up to 15 acres not only under the price restriction provision of the act, but also under the other provision.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. YOUNG. I have the assurance of Mr. Ritchie, of the Department of Agriculture, that the Holland amendment, as modified, would put most wheat farmers into compliance, and that the most pronounced effect would be on the corn farmer.

Mr. HOLLAND. The fact is that it would put most of those who violated the provision in compliance with it. No one wants to hold them to one standard of compliance under one provision of the act and to a different standard of compliance under another provision of the act.

Those who are opposing the amendment would like to eat their cake and have it too. They are trying to get full advantage of the price support program for farmers even when they overplant, and at the same time draw benefits from a generous Government for conservation practices. They are something like a man I once knew when I was practicing law. He always wanted to trade with one hand and fight with the other. That is not the practical way to do things. The farmers who have the advantage of this beneficent program should do no less than comply with acreage allotments.

I heard the distinguished Senator from Minnesota, able as he is, make a statement to the effect that corn would not be brought under this provision, and that

corn was not particularly affected because so many corn farmers do not sell their corn under the price support program. We have known that all along. We have known that so long as no penalty is imposed on a farmer who does not sell his corn, there is no chance to bring him into line. The question arises whether we will have one provision in the law which gives some chance of bringing the corn producers into line, and whether we will have one provision in the law which provides that the important segment of our agricultural industry which produces corn shall have to obey the law in order to get the benefit of it. I believe we should have this provision in the law.

Those of us who are pleading for the amendment know that Senators who have spoken against it are those who were opposed to the price support provisions in the bill last year. They are in favor of continuance of overproduction and overstimulation without any brakes at all being applied to payments that farmers receive from the Government.

Mr. THYE. Mr. President—

Mr. HOLLAND. I yield to the Senator from Minnesota.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. HOLLAND. Mr. President, I regret that I cannot yield, unless I am granted further time.

The PRESIDING OFFICER. The Senator from Florida has 14 minutes.

Mr. THYE. Mr. President, we have 22 minutes left on this side of the argument. I should be glad to have the Senator use some of those minutes so that I would not be trespassing on his time. So, if the Senator will yield, I should like to ask a question.

The Senator stated that the cotton producer was mostly in compliance.

Mr. HOLLAND. I stated that the cotton producers had made the finest record of compliance of any great agricultural producing group.

Mr. THYE. This is the question which I should like to ask the Senator. How would a cotton producer use all his cotton if he did not put it through commercial channels? It can be made into textiles or put to whatever commercial use can be made of it. If his cotton is put through commercial channels his compliance is positive. The farmer who sells his wheat will be in compliance. The farmer who wishes to feed a few bushels of wheat in his general dairy-mix will grow a few acres of wheat for that purpose and use it in that manner. But in the general operations in the great corn-growing areas of the Nation, when the corn is grown strictly for feeding purposes, we should encourage the type of farming which puts the feed into livestock and markets the product in the form of pork, dairy products, or beef. No one will deny that that is the kind of practice we wish to carry out. What we are trying to do is to provide for sound conservation practices which will assure future generations fertile lands to till.

Mr. HOLLAND. Mr. President, I was glad to yield for a question, but—

Mr. THYE. Any time I take comes from our side, and then the Senator from Florida will have free time to go on with his speech.

Mr. HOLLAND. I thank the distinguished Senator. The first thing I wish to say—

Mr. HUMPHREY. Mr. President, just a moment. I am in charge of the time, and I should like to know where we are. Are we charging it up thus far to my good friend from Florida? I am willing to yield whatever time is necessary for the presentation of the senior Senator from Minnesota.

The PRESIDING OFFICER. The Chair will advise that the Senator from Florida had 14 minutes remaining. At the present time he has 11 minutes.

Mr. HOLLAND. I yielded for a question, and I expected it to be asked, but I had to call a halt because my time was ebbing away. I called my distinguished friend's attention to the fact that he was using my time without asking a question.

The first thing I should like to call to the attention of my friend from Minnesota [Mr. THYE] is that the remarks he has made with reference to the cotton farmer apply to the small cotton farmer. They do not apply at all to the great cotton farmers of the Southwest, to the great cotton farmers of the Mississippi Delta, and many other cotton farmers who are also alined with exporters, ginners, processors, and others who handle large stocks of cotton from year to year. Before the law providing for controls was passed there had always been a very heavy carryover of cotton. Improvements in merchandising on the part of those who handle our cotton crop have improved that situation. I do not think I need to remind Senators of the tie-in of Anderson-Clayton with the great cotton production of this country. Cotton is storable indefinitely, and the cottonseed meal, cottonseed oil, and other products coming from it are salable. Once the cotton is ginned those products are available for any purpose for which they may be used.

Some of us have been speaking as if we are not concerned about corn, as if we are perfectly willing to have the corn producers overproduce. They can double, triple, or quadruple their acreage, and, apparently, it makes no difference to our friends who are opposing this particular amendment. That is one of the troubles we are having in connection with the whole program, and the very figures presented by my distinguished friend from North Dakota show that compliance in the corn industry is the worst of any that can be found.

Mr. YOUNG. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. In a moment.

I wish to remind Senators that corn production is linked inseparably with barley, oats, rye, and other grains. The Senate will remember that last year when we were debating the bill which was then before the Senate, the junior Senator from Minnesota was asking a special kind of consideration for and special inclusion in the law of small grains because they should be given the same sort of treatment which was given

corn and be given the same sort of chance to prosper. Those of us who were on the floor during that long debate will remember perfectly well that that was the case.

One of the things causing the most trouble is that in the case of the corn industry the violations have been so numerous, the impact upon the use of small grains has been so violent, and the impact on the whole picture has been so great, that we have not been able to bring order out of chaos.

An effort is being made to remove the only chock we have under the wheel although we see piling up in ever more mountainous lots corn which is produced not in compliance with the allotments made by a generous government as representing production to which the corn farmer is entitled.

Mr. President, we have got to get down to brass tacks and decide whether we want compliance completely or whether we do not. I think agriculture must realize that if it continues to follow this irresponsible course, if distinguished Senators continue to urge this path of irresponsibility, there is just one answer, and that is the loss of the whole very valuable price-support structure. There is no way to escape from that.

The thing we must do is to find out whether the average decent farmer who will comply will have his hands upheld, or whether those who want to take advantage of others are going to be encouraged in their ever-increasing violations so that production will be much in excess of the allotments.

Mr. YOUNG. Mr. President—

Mr. HOLLAND. I yield to the Senator from North Dakota.

Mr. YOUNG. Is it not a fact that in spite of considerable noncompliance on the part of corn farmers, there is little surplus of corn? The Secretary of Agriculture set corn supports at 87 percent of parity for 1955 because he believed there was little or no surplus. I think that fact belies the statement made by the Senator from Florida.

Mr. HOLLAND. I dislike to disagree with my friend, but in the Committee on Agriculture and Forestry he has several times called attention to the fact that price supports on small grains have been reduced unduly, and that the reason for it is the overproduction of corn.

Mr. YOUNG. That was not the reason.

Mr. HOLLAND. The Senator from North Dakota will, of course, admit, I feel certain, that several times he has called attention to the fact that, in his judgment, the price support for small grain has been too greatly reduced.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CAPEHART. I wish to read a telegram I have received from Mr. Hassil E. Schenck, president of the Indiana Farm Bureau, Inc., and to ask the able Senator from Florida if Hassil Schenck has an understanding of his amendment. Mr. Schenck's telegram reads:

Senator HOLLAND has amendment to H. R. 1573 striking section 348 of 1954 act which denies ACP payment to anyone knowingly harvesting more than allotment. HOLLAND

is proposing amendment to retain section 348 but modify it to permit harvesting (1) wheat up to 15 acres, (2) corn for silage, (3) peanuts for seed for hoggins-off—

Evidently Mr. Schenck means "feed for hoggins-off."

Mr. HOLLAND. No; "seed for hogging-off."

Mr. CAPEHART. I continue:

(4) above allotted acres on basics if quotas voted down. Also applicants need not certify have not exceeded allotments in areas where allotments not applicable. Would appreciate your support Holland amendment.

HASSIL E. SCHENCK,

President, Indiana Farm Bureau, Inc.

Does Mr. Schenck properly describe the Senator's amendment?

Mr. HOLLAND. He does, with complete propriety. Also, there has been one more factor added today, of particular value in areas with acreages of wheat produced for poultry and other feed, completely in line with the purposes and objectives of the bill.

While I do not know the gentleman who signed the telegram, he certainly has a clear understanding of what is being attempted.

Mr. CAPEHART. Mr. Schenck is president of the Indiana Farm Bureau, Inc.

Mr. HOLLAND. I do not happen to know the gentleman.

Mr. CAPEHART. As I understand, the amendment is designed to aid the small-size farmer.

Mr. HOLLAND. In my judgment, the amendment removes every handicap that could have been imposed upon the small farmer by the strict enforcement of section 348.

Mr. CAPEHART. Particularly the marginal farms.

Mr. HOLLAND. The large farms and the marginal farms are included in the compliance. I am sure the Senator from Indiana will be one who will say, that when we have a system such as this, a farmer who does not comply, is not entitled to any sympathy, much less to be accorded aid in his evasion by the Senate of the United States.

Mr. CAPEHART. It sounds good to me. I think I shall vote for the amendment.

Mr. AIKEN. Mr. President, we have heard this afternoon that there were a million violators among the corn growers last year; 11,000 among the cotton growers, and more than 30,000 among the tobacco growers. But if the violators among the wheat, rice, and peanut growers were included, there would probably be a million and a half violators among the 3 million commercial producers in this country.

If 50 percent of the corn growers were violators, it is a fact that those violators came under the rigid 90 percent support program, is it not?

Mr. HOLLAND. It certainly is.

With reference to the tobacco growers, because I do not think they should be brought into the picture, the larger part of their noncompliance was in the burley field. That situation has been frankly faced by the Senators who represent the States where that kind of tobacco is produced.

Last year Congress was asked to "up" the penalty to 50 percent, as I recall, and this year to a higher percentage, in an effort to continue to bring the greater and greater pressure toward compliance.

Shall we reverse that stand? Shall we reverse that kind of operation by reducing the pressure that calls for compliance?

Mr. AIKEN. Is it not also true that thousands of tobacco growers in Maryland voted last year against the control program?

Mr. HOLLAND. My recollection is that in Maryland, compliance as to that particular variety of tobacco was rejected.

Mr. AIKEN. Of course, those farmers would have no quotas to comply with.

Mr. HOLLAND. That is correct.

Mr. President, I yield the floor.

Mr. YOUNG. Mr. President, will the Senator from Minnesota yield me 2 minutes?

Mr. HUMPHREY. I yield 2 minutes to the distinguished junior Senator from North Dakota.

Mr. YOUNG. I resent the statement by the Senator from Vermont which questioned the figures I presented this afternoon. They came from the Department of Agriculture and its Secretary is Ezra T. Benson. They are authentic figures.

Furthermore, I cannot understand the motives of those who are sponsoring the amendment. If they really want to attack the surplus problem, then why is it that they have offered an amendment which would take care of most of the wheat producers, outside of the established wheat-producing areas while penalizing the corn farmers?

The actual fact is that just a very few of the leaders of the American Farm Bureau Federation never have thought much of the soil conservation program known as ACP. They have appeared every year to reduce the appropriation for that program.

I know of no better way in which to destroy the ACP program than to agree to the Holland amendment. I think the farmers all over America would disagree almost entirely with the viewpoint expressed today by the four Senators who sponsored the amendment.

I think it is rather significant that the four Senators who have sponsored the amendment come from States outside the area which is affected.

Mr. SCOTT. Mr. President, will the Senator yield me 5 minutes?

Mr. HUMPHREY. I yield 5 minutes to the distinguished junior Senator from North Carolina.

Mr. SCOTT. Mr. President, I come from a State which has more farms than has any other State in the Union. Many persons do not realize that. A great number of those farms are small ones, as the allotments on the various crops will show.

North Carolina this year, I regret to add, because we do not like to advertise ourselves in this respect, stands 44th among the States in income, but we stand about fourth in the amount paid to the Federal Government in excise taxes.

Among those in the lower income group, most of them are in the farm group.

The amendment under consideration will affect approximately 109,000 farm people in 91 counties. I should like to remind the Senate that North Carolina has had 3 severe drought years. In addition, we experienced Hurricane Hazel, which was the worst hurricane we have known in our lifetime.

Furthermore, we have sustained the most severe late spring freeze we have ever had. I had the opportunity to be in the Carolinas early this morning. I saw wheat and barley which were damaged. But I saw the farmers cutting hay and going ahead, doing the best they could. I saw whole fields of barley which were damaged.

By daylight early this morning, I saw people working in the tobacco fields, trying to make the best of an extremely bad situation.

I see no reason why ACP payments should be tied to crop compliance. There is no relationship. We are but the tenants of the Almighty. We are charged with the responsibility of determining how we shall use land which the Lord has given us to work with. We are doing the best we can. We need no handicaps.

I am reminded of the story of a man who met a neighbor across a rail fence. The first man saw an animal disappear into the ground, and he went after it. The neighbor, coming up to him, said: "John, that is nothing but a groundhog. You don't eat groundhogs, do you?"

The first man said, "No; but we need meat at our house, and I am glad to have the meat."

That is the situation we are in. We do not need the helping hand of the Government in the way in which it is said the amendment would help.

ACP payments should not be in any way tied in with compliance with the crop-control program in one way or another, especially when it gives advantages to peanut growers in some States, but penalizes the corn growers in about 25 counties in my State simply because they follow exactly the same principle which is carried out in the contingent-feed programs.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement I have prepared on the subject. I yield back the remainder of my time.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SCOTT

Most of the opposition that has been expressed to H. R. 1573 is based on the argument that section 348 of the Agricultural Adjustment Act of 1938 discourages farmers from overplanting acreage allotments.

It is argued that if farmers are deprived of their ACP payments for overplanting allotments, then the end result will be that farmers will plant within their allotments.

It is also argued that this has been the case in respect to cotton. Since 1938 farmers who overplanted their cotton allotments have lost ACP payments.

In respect to cotton there are a few facts that should be brought out. Cotton acreage allotments were in effect from 1938 through

1942—a period of 5 years. Then there were no cotton acreage allotments again until 1950, a period of 7 years. There were acreage allotments on cotton in 1950 and 1951. Then came another period of 2 years, 1952 and 1953, when there were no cotton allotments in force. Cotton allotments were restored in 1954 and are again in effect for this crop year.

Consequently, in using cotton as an example, it must be taken into consideration that cotton acreage allotments have been in effect only 4-crop years since 1942, a period of 13 years. On the basis of these facts it makes it impossible to get a clear picture on just what effects overplanting cotton have on the ACP payments.

On the basis of information from Agricultural Stabilization and Conservation officials in North Carolina it is found that 23 North Carolina counties are classified as commercial corn counties. In these 23 counties there are 54,000 farms that produce corn. In all there are 240,000 farms in North Carolina and almost without exception, each one of these farms produces corn for one purpose or another. On a vast majority of farms in North Carolina corn is produced solely for livestock feeding purposes. According to ASC officials very little corn is sold in the commercial market. In most cases the corn is harvested in the fall of the year, then stored for use as livestock feed through the winter months. In other cases corn is hogged-off. This is largely true in the eastern counties of the State where most of the swine is produced. The State produces about 60-million swine a year and a large percentage of the corn production goes into feeding these hogs.

If the amendment proposed by Senator HOLLAND is passed, it will mean that and farmer in the commercial corn counties who overplants his corn allotment regardless of what he uses the corn for—will lose his ACP payments. Farmers who are outside the commercial corn counties can plant all the corn they please and still get their ACP payments. This is gross injustice. It means simply this:

A man in a commercial corn county with a 10-acre allotment of corn could plant 11 acres and lose his ACP payments. The man on the adjoining farm, if he is outside the commercial belt, can plant a thousand acres of corn if he so pleases and still get his ACP payment. Situations of this sort would exist all over the State if the Holland amendment becomes law.

As for wheat, most of this production in North Carolina is for home consumption, and 95 percent of the wheat farms in North Carolina grow less than 15 acres of wheat. In all there are 53,000 wheat farms in North Carolina with wheat acreage allotments in 98 counties. In most cases wheat is grown for hay and milled for livestock feed and home consumption. The majority of the wheat growers of North Carolina are in the 5-acre bracket. They grow a few acres of wheat and have it ground and mixed at the milling plants for winter livestock and poultry feeds. Under the Holland amendment wheat farmers would be allowed to harvest up to 15 acres of wheat—if their allotment is anywhere under 15 acres—without losing their ACP payments.

In practice the amendment would have this effect:

A farmer with a 5-acre wheat allotment could harvest up to 15 acres of wheat—planting 10 acres above his allotment—and still get his ACP payments. This same farmer, if he has a corn allotment and is in a commercial corn county, will lose his ACP payments if he plants any corn over his allotment. It would simply mean that a farmer could grow wheat above his allotment for livestock feed and home consumption without being penalized while he would not be able to grow corn above his allotment. He

would be penalized for overplanting corn, but he would be within the law for overplanting wheat.

In the case of a farmer who has 50 hogs and raises corn above his corn allotment to feed these hogs, the Holland amendment would require him to purchase corn in the commercial market if he continued to receive ACP payments. A farmer who gets, for example, \$75 a year in ACP payments and would have to purchase \$200 worth of corn to feed his hogs through the winter, would have no other financial choice than to forgo his ACP payments and raise the necessary corn to feed the hogs.

In North Carolina particularly, as a result of the drought, Hurricane Hazel and the recent freeze, many farmers are being forced to diversify their operations. If a farmer has never raised hogs before and decides to do so this year, and wants to plant corn to feed them, then he may find himself ineligible to take part in the ACP projects. Consequently, if the Holland amendment becomes law, it is conceivable that many, many farmers not only in North Carolina but throughout the country will find themselves handicapped in going into swine or livestock production as a means of replacing income that they have lost as a result of drought and other weather conditions.

If there is a real desire to reduce the overplanting of acreage allotments in corn and grain, then there is a much more effective way to go about it than the means proposed in the Holland amendment.

Take tobacco for example:

As a result of recent legislation, tobacco farmers who overplant their acreage allotments this year will have to pay a penalty of 75 percent of the parity support price on the tobacco that they produce above their allotment. In practice this means that a farmer must pay 40 cents per pound penalty on tobacco he produces over his allotment. When the average market price of tobacco is between 55 and 60 cents a pound—as it was last year—then a farmer cannot afford to pay 40 cents a pound penalty on that tobacco he produces over his allotment. If there is any way to keep a farmer from producing above his allotment then such a penalty as this is the way to do it.

In the case of cotton there is a stiff penalty, but it is not as rigorous as that on tobacco. Farmers are required to pay 50 percent of the parity loan rate on all cotton they produce over their allotment. In practice this means that a farmer must pay 16 cents per pound penalty on all cotton he produces over his allotment if the support price is 32 cents a pound.

If there is any one reason for cotton farmers staying within their acreage allotments, the penalty provision of the law is the reason—not the loss of ACP payments.

If there is a real desire to keep farmers from overplanting corn and wheat allotments, then the proper and effective way to go about it is working out a penalty program that is stiff enough to force farmers to lose money on the wheat and corn they sell above their allotments.

In the case of wheat the current penalty is about \$1.12 a bushel. In the case of corn there is no penalty because of the fact the Secretary of Agriculture has not declared marketing quotas for corn.

The effect of section 348 as it now reads can be seen in the following figures by North Carolina ASC officials:

At this time last year about 25 percent of the farmers in the commercial corn area of North Carolina had made application to participate in the ACP program. This year so far only about 6 percent of the farmers in the same area have made applications to take part in the program. This means that 75 percent of the farmers in the affected areas who took part in the soil conservation program last year have abandoned plans to do so

this year. The reason is clear. The farmers in this area must have feed for their own livestock, and they will continue to grow their livestock feed, even if it means losing their ACP payments. Consequently, section 348 has not kept the farmers in these areas from overplanting. They have been overplanting in past years, and they will continue to plant to fill their needs. It does mean, however, that they are being forced out of the soil conservation program.

The soil conservation program is reaching only about 50 percent of the farmers in North Carolina now that it reached only 2 years ago. Because of the new regulations and changes in the program, only about 60,000 North Carolina farmers took part in the soil conservation program in 1954. In 1953, 112,000 North Carolina farmers took part in the program. In 1952 the number was even larger.

Thus, the trend is toward fewer farmers taking part in soil conservation. Instead of increasing the number of farmers who are taking part in the ACP, we are losing them year by year. If the Holland amendment becomes law, we will lose even more.

If the trend continues and steps are not taken to bring more farmers into the ACP, then the entire program could well die on the vine.

Mr. HUMPHREY. Mr. President, I now yield to my distinguished colleague from Minnesota. How much time does the Senator desire to have?

Mr. THYE. I do not think I will take more than 3 minutes, or thereabouts.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. THYE. Mr. President, I am holding in my hand the report on H. R. 1573, calendar No. 218. On page 2 of the report there appears a letter addressed to the Senator from Louisiana [Mr. ELLENDER]. In the letter will be found various places where the Under Secretary of Agriculture refers to the particular amendment before the Senate, but the most interesting and striking sentence of the letter of Under Secretary True D. Morse is:

Elimination of this entire requirement of eligibility is desirable. Its repeal would not require additional appropriations.

Sincerely yours,

TRUE D. MORSE,
Under Secretary.

The letter is dated February 9, 1955.

I ask unanimous consent to have the entire letter of Under Secretary True D. Morse printed in the RECORD at this point as a part of my remarks, because there have been so many statements made to the effect that we who are opposed to the amendment are trying to destroy some phase of the farm program.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, February 9, 1955.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture
and Forestry, United States Senate.

DEAR SENATOR ELLENDER: This is in partial reply to your letter of January 19, 1955, requesting reports on certain bills relating to agriculture. We are herein reporting on S. 494, S. 517, and S. 532. These bills are identical and would repeal section 348 of the Agricultural Adjustment Act of 1938, as amended. This section which was amended by section 311 of Public Law 690, 83d Con-

gress, provides that any person who knowingly harvests any basic agricultural commodity on his farm, which has been determined by the Secretary to be in excess of the farm acreage allotment, shall not be eligible for any ACP payment. All persons applying for any ACP payment are required to file with the application, a statement of facts showing eligibility under this provision.

The Department approves of this proposed legislation. At present the only ACP payments made are for cost-sharing with respect to conservation practices carried out on farms, and these payments represent only a share of the cost of performing the conservation measure. There was a direct relationship between acreage allotments and a portion of the payments made under the Soil Conservation and Domestic Allotment Act, prior to 1944, but it no longer exists. Also, the present average ACP amount of cost-sharing of less than \$100 is not large enough to be a strong incentive for farmers to comply with acreage allotments.

The principal effect of this restriction on ACP assistance will be to discourage conservation on family-type farms. Since it is expected that most farmers will comply with marketing quota provisions, the eligibility requirement of section 348 will affect principally farmers with corn allotments and farmers with less than 15-acre wheat allotments. Under marketing quota requirements a farmer with a wheat allotment less than 15 acres is permitted to grow and harvest 15 acres of wheat without incurring a marketing quota penalty. This exemption, however, does not apply to the ACP eligibility requirement of section 348.

Based on past experience it is estimated that there will be about 750,000 farms with a 1955 wheat acreage allotment of less than 15 acres. A high percentage of these farms is expected to take advantage of the 15-acre limit and thereby become ineligible for 1955 ACP assistance. It is estimated that there will be 1,600,000 farms with a 1955 corn allotment. Based on the compliance obtained in 1954 it is likely that up to 60 percent, or almost 1 million farms, will have excess corn acreage in 1955 which would make them ineligible for 1955 ACP payments. Even though some farms with small wheat allotments also grow corn and would be included in both of the foregoing estimates, it is likely that substantially more than 1 million farms would not be eligible for ACP payments, due to the provisions of section 348.

Elimination of this entire requirement of eligibility is desirable. Its repeal would not require additional appropriations.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE,
Under Secretary.

Mr. THYE. Mr. President, on page 3 of the report appears another letter addressed to the Senator from Louisiana [Mr. ELLENDER]. It is dated March 10, 1955, and is signed by Earl L. Butz, Acting Secretary. Let me read one sentence:

With respect to the effect of this bill on section 348 of the Agricultural Adjustment Act of 1938, this Department recommends that the entire section 348 be repealed. The proposed bill would repeal only that part of the section which was added by Public Law 690, 83d Congress.

Mr. President, can you imagine what we are arguing about, when True D. Morse, the Under Secretary, proposes and advocates the repeal of section 348,

and when the Acting Under Secretary, Earl L. Butz, proposes its repeal? I think that in itself should eliminate any question as to whether I am right when I urge the repeal of this particular section of the law, or whether the proposal to modify a provision of law the Department of Agriculture wants stricken out entirely is sound.

Therefore, Mr. President, I ask unanimous consent that the entire letter of March 10, 1955, addressed to the Senator from Louisiana [Mr. ELLENDER] and signed by Mr. Earl L. Butz, Acting Secretary, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., March 10, 1955.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture
and Forestry, United States Senate.

DEAR SENATOR ELLENDER: This is in reply to your request of January 12, 1955, for a report on S. 139, a bill to repeal the amendments to sections 348 and 374 of the Agricultural Adjustment Act of 1938, which were made by section 311 of the Agricultural Act of August 28, 1954 (Public Law 690, 83d Cong.).

With respect to the effect of this bill on section 348 of the Agricultural Adjustment Act of 1938, this Department recommends that the entire section 348 be repealed. The proposed bill would repeal only that part of the section which was added by Public Law 690, 83d Congress. If S. 139 is enacted, the provision that a person comply with his cotton acreage allotment would remain in effect. It is the view of this Department that ACP's eligibility should not be conditioned on compliance with any of the acreage allotments. The principal effect of such restrictions is to discourage the carrying out of needed conservation work. This Department therefore favors the elimination of the entire eligibility requirement imposed by section 348 rather than elimination of the requirement for only a part of the crops with acreage allotments. More details of our recommendation are contained in our report to you with respect to S. 494, S. 517, and S. 532.

The Department recommends against the provision of S. 139 which would repeal the 1954 amendment to section 374 of the Agricultural Adjustment Act of 1938. That amendment directed the Secretary to provide a method by which a farmer who overplants any basic crop allotment may adjust the planted acreage to the farm acreage allotment. S. 139 would restore, in place of this provision, the last sentence of section 374 (b) of the Agricultural Adjustment Act of 1938, as amended, which was similarly worded except that it applied only to cotton.

Since the passage of Public Law 690, farmers have been expecting to be permitted to adjust their planted acreage to come within the allotment on each basic crop if they so desired. To change at this time, with respect to the 1955 crop, would lead to much dissatisfaction, misunderstanding, and administrative difficulty in connection with some crops, particularly corn and rice.

The Department believes that the provision for adjusting the planted acreage to the allotment should be applicable equally to all the basic commodities. In our opinion the provision in the present law should be retained.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

EARL L. BUTZ,
Acting Secretary.

Mr. HUMPHREY. Mr. President, I yield 2 minutes to the Senator from New York.

Mr. LEHMAN. Mr. President, the farmers of New York State do not raise a great quantity of grain, since New York is primarily a dairy State, but with respect to the grain which they do raise, they are not at all interested in support prices, since they sell virtually none of their grain in the market.

The grain which the farmers of New York raise is fed to poultry and other animals on the farms. The farmers have no interest whatsoever in price supports, but they have a very vital interest in soil conservation.

Soil conservation is practiced, and has been for a number of years, to the great advantage of the farms and the rural areas of the State. Within my lifetime I have personally seen the tremendously beneficial effect that soil conservation and reforestation have had on the farms and countryside of my State.

I do not want to see anything done which would take from the farmers of my State the benefits of soil conservation, in which they are deeply interested, as are the farmers, I believe, in almost all other States.

Because of that fact, I shall vote against the Holland amendment.

Mr. HUMPHREY. Mr. President, I yield 1 minute to the Senator from North Dakota.

Mr. LANGER. Mr. President, I have received scores of telegrams from farmers and from social clubs, all opposed to the Holland amendment. More particularly, the telegrams have made the prediction that we are due, either this year or next year, to have another dust-bowl area. Therefore, they, as well as businessmen, are interested in seeing that the soil conservation program is maintained.

I thank the distinguished Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I think we can bring the debate to a conclusion with a few final observations I should like to make. The points have been made in substance, by those who have participated in the debate. I am particularly grateful for the arguments made here by the junior Senator from North Dakota [Mr. Young], the senior Senator from North Dakota [Mr. Langer], the Senator from New York [Mr. Lehman], the Senator from North Carolina [Mr. Scott], the Senator from South Carolina [Mr. Thurmond], and other Senators who have expressed their views. I desire to leave none out. I think they have stated the case clearly.

One claim the Holland amendment proposal advocates take unto themselves as conclusive evidence in favor of the adoption of the proposal, is that when there is overproduction there must be penalty provisions to keep farmers in line so that they will not violate acreage allotments.

The interesting point was made this afternoon that the greatest amount of overproduction is in wheat, and it is the one commodity which the Holland amendment eliminates. I think the principle of divide and conquer has been

used. That is, a special exemption has been made as to wheat farmers, and wheat is a commodity of which there are surpluses, and no exemption, which is meaningful, has been made with respect to corn, of which commodity there are no surpluses, or small surpluses.

I say the Holland amendment, instead of controlling production, would encourage it, and at the same time would do damage to soil conservation.

I have heard further comment today that farmers ought to comply. Of course, farmers ought to comply, if they can make a living; but one reason why farmers have not complied with acreage allotments is the high cost of farm operation and the reduced income from farm production.

It is perfectly true that the factor which is most controlling to a farmer is his personal economic situation. Therefore, many farmers have not complied with acreage allotments because they were not designed to benefit him or his family; nor did compliance make it possible for him to pay his bills.

I think it is most important that those who have complied with the acreage allotment laws are those who are basically feeders, who are using their corn or grain for feed, and not for commercial uses in the normal channels of trade.

The Senator from Florida has emphasized the fact that the growers of cotton are in compliance. I think we owe a great deal of gratitude to the cotton farmers. In fact, if it were not for them we would not have had the price support program. They led the way and pointed the way. They not only have acreage allotments, but marketing quotas.

As has been stated on the floor, when there are in effect both acreage allotments and marketing quotas, compliance is enforceable. Farmers do not eat or feed cotton; therefore, the temptation or the necessity for going beyond the acreage allotment is not present.

We have been accused of following an irresponsible path by proposing repeal of section 348. I listened attentively as the distinguished Senator from Florida said that those who oppose the repeal of section 348 are following an irresponsible path. The distinguished Senator surely includes a great many people. The Secretary of Agriculture and the whole Department are recommending the repeal of section 348. The committee heard two witnesses who were sent by the Department of Agriculture, and who recommended the repeal of the section.

Mr. President, Representative Hope, of Kansas, a Republican Representative, and an ardent champion of agriculture, is the author of the bill, now before us, to repeal section 348. The National Grange, one of the truly great farm organizations of the Nation, has recommended the repeal of section 348; and the Iowa Farm Bureau has also recommended the repeal of section 348. I do not believe that these great and steadfast people are following an irresponsible course of action.

Finally, Mr. President, let me say that during the debate today I have heard it said again and again that in favoring the

repeal of section 348, we favor a course of action which would promote law violation. It is interesting to me to note that the substitute proposal is not only one which would not require compliance, but that it has been amended a little so as to say, in effect, "Do not comply occasionally." In other words, the Senator from Florida is opposed to sin on Monday, Tuesday, Wednesday, and Thursday; he skips Friday; but he is in favor of sin on Saturday and Sunday, because the Senator from Florida would permit escape for corn for ensilage purposes and for peanuts and for wheat. He would provide all kinds of escape hatches; but the trouble is that the escape hatches he would provide, and which would permit this economic sin to occur, do not help the people who need to be helped to escape. The escape hatches the Senator from Florida would provide do not provide for soil conservation.

Mr. President, I conclude my argument by saying that if we need more law on the statute books, so as to have acreage allotments enforced or so as to result in compliance with acreage allotments or marketing quotas, then let us write such a law, just as we did in the case of certain kinds of tobacco. We did not say that the way to get the tobacco farmer to comply was to double the penalty, in terms of a denial of soil-conservation payments. If we need more law, in order to compel the farmers to obey and to comply with the acreage allotments and the marketing quotas, then let us write such a law. But let us not use the constructive, positive, progressive program of soil conservation as a stick or club or punitive measure to enforce a law which relates to price supports and crop loans.

Mr. President, the great tragedy in this debate, if it can be termed such, is that some Senators are trying to use the soil-conservation payment program as a weapon or a club with which to enforce acreage and marketing quotas in the price-support program. However, soil conservation and the price support program are not tied together.

Mr. President, I repeat that if we never had a price-support program on the statute books, we would still need soil-conservation payments. I regret to see Senators who have done so much for agriculture mislead themselves and attempt to mislead others by advocating a proposal which would weaken the soil-conservation payment program, which has constituted a great forward movement in the effort to provide a constructive policy with respect to the use and production of the great land resources of the Nation.

Mr. President, I yield back the remainder of the time available to me.

Mr. HOLLAND. Mr. President, I understand that the Senator from Minnesota will join me in requesting the yeas and nays on the question of agreeing to my amendment.

Mr. HUMPHREY. That is correct.

Mr. President, I yield back the remainder of the time available to me; and, following a quorum call, I shall suggest that the Senator from Florida and

I join in requesting the yeas and nays on the question of agreeing to his amendment.

Mr. HOLLAND. Mr. President, let us make that request now.

Mr. HUMPHREY. Very well. Mr. President, on the question of agreeing to the Holland amendment, I request the yeas and nays.

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. Has all the time under the unanimous-consent agreement been yielded back?

The PRESIDING OFFICER. The time available to the proponents of the amendment has been completely used; and the Senator from Minnesota has just yielded back the remainder of the time available to him.

Mr. HUMPHREY. Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment, as modified, submitted by the Senator from Florida [Mr. HOLLAND], on behalf of himself, the Senator from Vermont [Mr. AIKEN], the Senator from New Mexico [Mr. ANDERSON], and the Senator from Utah [Mr. WATKINS].

On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Massachusetts [Mr. KENNEDY] is absent by leave of the Senate because of illness.

On this vote, the Senator from Wyoming [Mr. O'MAHONEY] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Wyoming would vote "Nay" and the Senator from Florida would vote "Yea."

The Senator from Massachusetts [Mr. KENNEDY] is paired with the Senator from Montana [Mr. MURRAY].

If present and voting, the Senator from Massachusetts would vote "Yea" and the Senator from Montana would vote "Nay."

Mr. SALTONSTALL. I announce that the Senator from Maryland [Mr. BEALL], the Senator from Vermont [Mr. FLANDERS], the Senator from Indiana [Mr. JENNER], and the Senator from Wisconsin [Mr. WILEY] are necessarily absent.

The Senators from Pennsylvania [Mr. DUFF and Mr. MARTIN] and the Senator from Idaho [Mr. WELKER] are absent on official business.

If present and voting, the Senator from Maryland [Mr. BEALL] and the Senator from Vermont [Mr. FLANDERS] would each vote "Yea."

The result was announced—yeas 35, nays 49, as follows:

YEAS—35

Aiken	Frear	Payne
Ailott	Goldwater	Potter
Anderson	Gore	Purtell
Barrett	Hickenlooper	Robertson
Bennett	Holland	Saltonstall
Bridges	Ives	Schoeppel
Bush	Jackson	Smith, Maine
Byrd	Knowland	Smith, N. J.
Capehart	Kuchel	Stennis
Case, N. J.	Martin, Iowa	Watkins
Chavez	Millikin	Williams
Cotton	Pastore	

NAYS—49

Barkley	George	McCarthy
Bender	Green	McClellan
Bible	Hayden	McNamara
Bricker	Hennings	Monroney
Butler	Hill	Morse
Carlson	Hruska	Mundt
Case, S. Dak.	Humphrey	Nacey
Clements	Johnson, Tex.	Neuberger
Curtis	Johnston, S. C.	Russell
Daniel	Kerr	Scott
Dirksen	Kilgore	Sparkman
Douglas	Langer	Symington
Dworshak	Lehman	Thurmond
Eastland	Long	Thye
Ellender	Magnuson	Young
Ervin	Malone	
Fulbright	Mansfield	

NOT VOTING—12

Beall	Kefauver	O'Mahoney
Duff	Kennedy	Smathers
Flanders	Martin, Pa.	Welker
Jenner	Murray	Wiley

So the amendment in the nature of a substitute, as modified, offered by Mr. HOLLAND, for himself and other Senators, was rejected.

The PRESIDING OFFICER. If there be no amendment to be offered, the question is on the third reading of the bill.

The bill was read the third time.

The PRESIDING OFFICER. Are the Senators in control of the time for debate prepared to yield back the time on the bill?

Mr. JOHNSON of Texas. Mr. President, I yield back my time on the bill.

Mr. KNOWLAND. Mr. President, I yield back my time on the bill.

The PRESIDING OFFICER. All remaining time for debate has expired. The question is on the final passage of the bill.

The bill (H. R. 1573) was passed.

ORDER FOR RECESS TO THURSDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate has concluded its business today, it stand in recess until next Thursday at 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FEDERAL-AID HIGHWAY BILL

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point editorials published in various newspapers throughout the country dealing with the President's road plan.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Nashville (Tenn.) Morning Tennessean of January 19, 1955]

MR. BYRD HITS SHAM ROAD PLAN

"Thoroughly unsound" was Senator HARRY F. BYRD's verdict on the multi-billion-dollar highway program formally proposed to President Eisenhower last week by his advisory committee for a national highway plan.

The contemplated procedures, he added, would "violate financing principles, defy budgetary control, and evade Federal debt law." With a good deal of restraint he avoided the obvious word, "sham."

First among the Virginian's targets was the proposal to set up a Federal corporation to sell \$20 billion in Government-guaranteed bonds at 3 percent interest. The bonds would be retired from revenues from the 2-cents-a-gallon gasoline tax, and \$5 billion more would be raised by taxing filling stations and motels along roads.

This bond issue would cost taxpayers more than \$11.5 billion in interest, which would mean every dollar borrowed would eventually cost \$1.55. But to make matters worse in Senator BYRD's opinion, it is proposed that the bonds not be included in the regular Government debt figure. This would mean keeping two sets of books and pave the way for endless outlays for other building programs under the same formula of financial ledgerdemain. Furthermore, it is predicted, the bonds will probably not be paid off at maturity, in keeping with the current idea on debt retirement.

Having had long experience with road building in his own State, Senator BYRD proposes an alternate plan.

First, he suggests that the 2-cent gasoline tax now being collected by the Federal Government be repealed, thus permitting the States to reimpose it. Secondly, the present Federal aid to primary, secondary, and urban road systems which, for many years has been integrated with State highway systems, should be continued on a long standing basis. This amounts to \$535 million. Further, the lubricating oil tax now collected by the Federal Government be continued, and finally a 1/4-cent-per-gallon Federal gasoline tax be imposed. Revenue from this tax plus the Federal lubricating oil tax, according to estimates of increasing use, shortly would be sufficient to compensate the Federal Treasury for this Federal aid.

"Under this plan," he is declared, "States would retain as much control over their roads as they have had in the past; \$11.5 billion would be saved for additional road construction; and road revenue would be evenly distributed over future years to keep highways modernized to meet changing conditions."

By comparison, the Byrd program stands out as a forthright approach to a major problem without an effort at financial trickery and misrepresentation of the kind that has been offered to Mr. Eisenhower. And as such, it is recommended reading for Gen. Lucius D. Clay, head of the presidential advisory committee, whose voice carries so much weight at the White House. Its importance is already conceded by the Democratic Congress.

[From the Knoxville (Tenn.) News-Sentinel of January 17, 1955]

MR. BYRD WARMS UP

Senator HARRY F. BYRD has come out with a preliminary appraisal of the \$101 billion highway program proposed by President Eisenhower's Advisory Commission.

The respected Virginian has made it clear that he is choosing his words with restraint, pending Ike's formal announcement on where he stands.

While merely warming up, so to speak, Mr. BYRD has this to say:

"Legerdemain . . . thoroughly unsound . . . a procedure that would violate financial

Public Law 42 - 84th Congress
Chapter 45 - 1st Session
H. R. 1573

AN ACT

All 69 Stat. 65.

To repeal section 348 of the Agricultural Adjustment Act of 1938.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 348 of the Agricultural Adjustment Act of 1938, as amended, is hereby repealed, effective with respect to 1955 and subsequent crops.

Approved May 23, 1955.

U. S. DEPARTMENT OF AGRICULTURE
BUREAU OF PLANT INDUSTRY
WASHINGTON, D. C.
OFFICE OF THE CHIEF OF BUREAU
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